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A. POLICY AND LEGISLATIVE FRAMEWORK

IDP is a management tool for assisting municipalities in achieving their developmental mandates. Every municipality is required by law to develop and adopt its IDP through the legal frame work provided. The following pieces of legislations outline the development and implementation of the IDP.

A.1. CONSTITUTION OF THE REPUBLIC OF SOUTH AFRICA (A ct 108 of 1996)

Section 151 of the Constitution, states that developmental local government should make provision for a democratic and accountable government for communities. It also encourages municipalities to ensure the provision of services to communities in a sustained manner in order to promote social and economic development. Local government must promote a safe and healthy environment and encourage community involvement in matters of local government such as municipal transport, municipal health services, municipal roads, and municipal parks and recreation. Section 152 of the Constitution says that local government should provide democratic and accountable government for local communities. It should ensure the provision of services to communities in a sustainable manner, promote a safe and healthy environment as well as encourage the involvement of communities and community organizations in matters of local government. Section 153 of the Constitution states that each municipality should structure and manage its administration, budgeting, and planning processes to give priority to the basic needs of the community and to promote the social and economic development of the community. Municipalities should participate in national and provincial programmes and infrastructure development programmes. Section 153 of the Constitution also encourages municipalities to involve communities in their affairs.

A.2. DEVELOPMENT FACILITATION ACT (Act 65 of 1995)

The Development Facilitation Act (DFA) has formalized the restructuring of urban settlements and planning in South Africa. The aim of the DFA has been to expedite land development projects and to promote efficient and integrated land development. It is aimed at concluding the Reconstruction and Development Planning (RDP) Programme and to a certain extent replaces the RDP. The Act contains general principles for land developments. It provides that the municipalities must prepare the Land Development Objectives (LDOs) on an annual basis. All the regulations contain stipulations on public participation, creating room for communities to be involved in matters of land development in their areas. The LDOs deal with how people will gain access to basic services and the standard of the services. Since the inception of the IDPs the land development objectives are addressed in the Spatial Development Framework (SDF), which could form part of the sector plans in the IDP. Section s of the Act states that development initiatives are necessary for promoting integration in respect of social, economic institutional and physical aspects of development; promoting integrated development in rural and urban areas; promoting development of localities that are nearer to residential and employment opportunities; optimizing the use of existing resources; discouraging urban sprawl; and contributing to more compact cities and towns.

A.3. WHITE PAPER ON TRANSFORMING PUBLIC SERVICE DELIVERY (BATHO PELE WHITE PAPER OF 1997)

The paper flows from the White Paper on the Transformation on Public Service (1995). In terms of the White Paper, transforming service delivery is identified as one of government's priority areas. The White Paper is primarily about how public services are provided, and specifically about the efficiency and effectiveness of the way in which services are delivered. It "seeks to introduce a fresh approach to service delivery, an approach which puts pressure on systems, procedures, attitudes and behaviour within the Public Service and reorients them in the customer's favour, an approach which puts the people first".

The introduction of the concept of Batho Pele, which means putting people first, provides the following eight service delivery principles in an attempt to ensure that the people, as customers to the public institutions, come first. Furthermore, the adoption of the concept "Customer" implies:

- Listening to their views and taking account of them in making decisions about what services are to be provided;
- Treating them with consideration and respect;
- Making sure that the promised level and quality of services is always of the highest standard; and
- Responding swiftly and sympathetically when standards of service fall below the promised standard.

In giving effect to the notion of treating the recipients of government services as customers, the White Paper articulates that public sector, including the local government sphere, should be governed by the following ethos (principles):

- Consultation: citizens should be consulted about the level and quality of the public service they receive and wherever possible, should be given a choice about the services that are offered;
- Service Standards: Citizens should be told what level and quality of public services they would receive so that they are aware of what to expect;
- Access: All citizens should have equal access to the services to which they are entitled;
- Courtesy: Citizens should be treated with courtesy and consideration; Information: Citizens should be given full, accurate information about the public services that are entitled to receive;
- Openness and transparency: Citizens should be told how the national and provincial departments are run, how much they cost, who is in charge;

- Redress: If the promised standard of service is not delivered, citizens should be offered an apology, a full explanation and a speedy and effective remedy,
- and when complaints are made, citizens should receive a sympathetic, positive response;
- Value for money: Public services should be provided economically and efficiently in order to give citizens the best possible value for money.

A.4. WHITE PAPER ON LOCAL GOVERNMENT (1998)

The White Paper on Local Government (1998) paper views that Integrated Development Planning as a way of achieving developmental government. The Integrated Development Planning intends to:

- Align scarce resources around agreed policy objectives;
- Ensure integration between sectors with local government;
- Enable alignment between provincial and local government and
- Ensure transparent interaction between municipalities and residents, making local government accountable (RSA, 1998, 18).

The paper establishes a basis for developmental local government, in which, “local government is committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs and improve the quality of their lives”. It also encourages public consultation on policy formulation and in the monitoring and evaluation of decision – making and implementation.

A.5. MUNICIPAL SYSTEMS ACT (Act 32 of 2000, as amended)

The Act regulates the IDP. It requires the municipality to undertake developmentally oriented planning so as to ensure that it strives to achieve the objectives of local government set out in Section 152 and 153 of the Constitution. Section 25 (1) requires the Municipal Council, within a prescribed period after the start of its elected term, to adopt a single, inclusive and strategic plan for the development of the municipality which:

- Links, integrates, co – ordinates and takes into account proposals for the development of the municipality;
- Aligns the resources and capacity of the municipality with the implementation of the plan;
- Forms the policy framework and general basis on which annual budgets must be based;
- Complies with the provisions of Chapter 5, and
- Is compatible with the national and provincial department plans and planning requirements binding on the municipality in terms of legislation.

Section 26 of the Act further outlines the core components of the integrated development plan of a municipality. It requires the integrated development plan of the municipality to reflect:

- The municipal council's vision for the long term development of the municipality with special emphasis on the municipality's most critical development and internal transformation needs;
- An assessment of the existing level of development in the municipality, which must include an identification of communities which do not have access to basic municipal services;
- The council's development priorities and objectives for its elected term;
- The council's development strategies which must be aligned with any national or provincial sector plans and planning requirements binding on the municipality in terms of the legislations;
- The council's development strategies which must be aligned with any national or provincial sector plans and planning requirements binding on the municipality in terms of the legislations;
- A spatial development framework which must include the provision of basic guidelines for a land use management system of the municipality;
- The council's operational strategies;
- Applicable disaster management plan;
- A financial plan, which must include budget project for at least the next three years, and
- The key performance indicators and performance targets determined in terms of section 41.

A.6. MUNICIPAL FINANCE MANAGEMENT ACT (ACT 56 OF 2003)

The Municipal Finance Management Act (56 of 2003) was promulgated to secure sound and sustainable management of the financial affairs of municipalities and other institutions in the local sphere of government. The Act provides a mandatory provision that relate to financial and performance management. Section 2 of the Act stipulates that the object is to secure sound and sustainable management of the financial affairs of the local government institutions to which this Act applies by establishing norms and standards for:
Ensuring transparency, accountability and appropriate lines of responsibility in the fiscal and financial affairs of municipalities and municipal entities;

- The management of revenues, expenditures, assets and liabilities and the handling of financial dealings, budgetary and financial planning processes;
- The coordination of those processes with those of the other spheres of government,
- Borrowing;
- Supply chain management; and
- Other financial matters.

Bela Bela Municipality's involvement in the budget process is to ensure compliance with the provision of the Municipal Finance Management Act. It is crucial that the IDP review process facilitate community participation, provide ward level information, encourage discussion on priorities and provide an opportunity for feedback.

The main strategic outputs of the budget reform are to ensure:

- Modernizing financial management and improving accountability;
- Multi – year budgeting;
- Deepening and improving the budget preparation process, by involving the political leadership and community;
- Ensuring that the IDP and budgets are linked, and that the IDP takes account of budgetary resources, and contain proper capital and maintenance plans;
- Improving the in – year implementation of the budget; and
- Improving the auditing and performance reporting after the financial year has ended.

A.7. TRADITIONAL LEADERSHIP AND GOVERNANCE FRAMEWORK AMENDMENT ACT (ACT 41 of 2003)

This Act makes clear the role of the traditional leadership in the democratic and co – operative governance. The Act envisages an active involvement of the traditional leadership in the formulation and the implementation of the integrated development plans. Section 4 of the Act provides for the establishment of traditional councils
that should:

- Support municipalities in the identification of community needs;
- Facilitate the involvement of the traditional community in the development or amendment of the integrated development plan of a municipality in whose area that community resides;
- Participate in the development of policy and legislation at the local level; and
- Promote the ideals of co – operative governance, integrated development planning, sustainable development and service delivery to promote indigenous knowledge systems for sustainable development and disaster management.

Section 5 (2) of the Act affirms that any partnership between a municipality and a traditional council must:

a. Be based on the principles of mutual respect and recognition of the status and roles of the respective parties; and
b. Be guided by and based on the principles of co – operative governance.

One village resides in traditional authority governed area. To this effect, Bela Bela Municipality has involved the traditional leader in both the IDP review process and any other developmental matter involving their areas of governance.

A.8. INTER – GOVERNMENTAL RELATIONS FRAMEWORK ACT (ACT 13 of 2005)

The Act is a response to the limited successes in the alignment efforts among the three spheres of government. The Act creates a framework to support intergovernmental cooperation and coordination as required by the Constitution in its definition of "cooperative governance". It provides for the obligation of all spheres to participate in the planning processes of the municipality and in turn allow their own planning processes to be influenced by the municipal IDP's. Municipal IDPs are regarded as important planning frameworks to integrate both the national and provincial programme in specific local area. The municipality is participating in the district – planning forum, district – municipal managers' forum, district – mayors forum and as well as in the Premier's Intergovernmental Forum. The participation is aimed at ensuring proper alignment and coordination of local, district and provincial plans. The Act establishes structures and processes that enhance inter – governmental planning and monitoring processes for local, provincial and national spheres of governance.

A.9. PERFORMANCE MANAGEMENT SYSTEM

A municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance, planning, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the roles of the different role – players.

It is critical that political leadership, managers and staff be involved to ensure that the municipality embraces the IDP and its implementation – which is performance management in practice. Implementing the processes and systems needed to operationalise the IDP will determine the ultimate success of the municipality. The following needs to be taken into consideration when starting to implement the IDP:

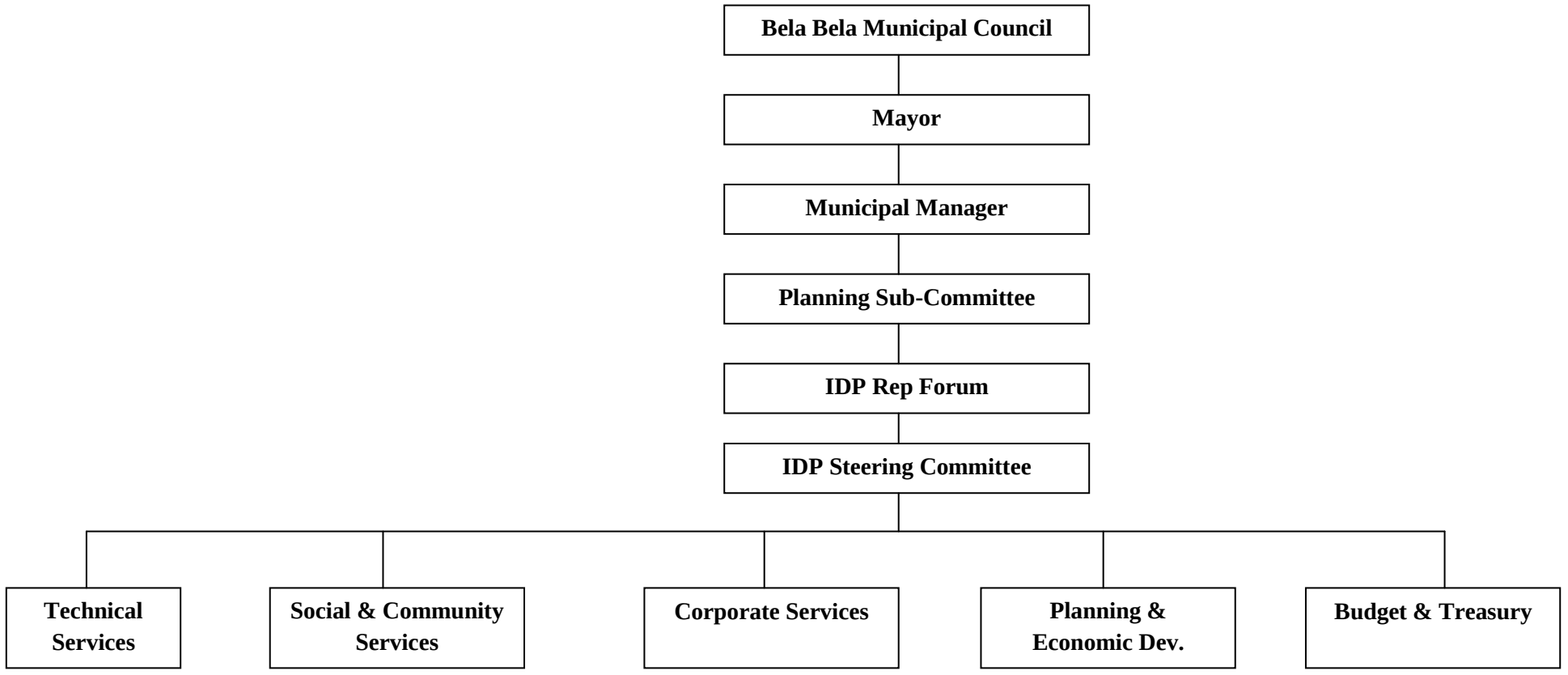
- Plan for performance by clarifying objectives and outputs to be achieved;
- Clarify performance expectations by setting standards ant targets for each indicator to assess and evaluate performance in practice;
- Monitor, measure, assess and evaluate performance, and

- Link strategic priorities, goals and objectives agreed in the IDP by:
    - Enabling staff to understand how their job contributes to the aforementioned;
    - Ensuring resources are directed and used in efficient, effective and economic ways by each person in the municipality;
    - Including communities and other stakeholders; decision – making, monitoring and evaluation;
    - Learning from experience and use it to continuously improve what's achieved, and maintaining transparency and accountability and promoting good governance articulated in the Batho Pele principles.

B. PROCESS OVERVIEW

Bela Bela Municipality adopted an IDP Review Process Plan for the 2012/13 review process. The Process Plan was informed by the district municipality's framework plan and was adopted by the Municipal Council on 27 August 2011. The main purpose of the Process Plan is to integrate all the processes and activities, institutional arrangements and time frames of the various sector departments, NGOs, Parastatals, etc.

B.1. INSTITUTIONAL ARRANGEMENTS FOR IDP PROCESS REVIEW



The preparation of a reviewed IDP is based on a Process Plan, which Bela Bela Municipality adopted in terms of the Municipal Systems Act, 32 of 2000. The Plan establishes a firm foundation for the alignment of the IDP and budget preparation processes. This plan included the following:-

- A programme specifying the time frames for the different planning steps;
- Appropriate mechanisms, processes and procedures for consultation and participation of local communities, organs of state, traditional authorities, and other role players in the IDP drafting process;
- An indication of the organizational arrangements for the IDP process;
- Binding plans and planning requirements, i.e. policy and legislation.

The objectives of the Process Plan are as follows:

- To guide decision making in respect of service delivery and public sector investment.
- To inform budgets and Service delivery programs of various government departments and service agencies.
- To coordinate the activities of various service delivery agencies within Bela Bela.

B.2. EVENTS/ACTIVITIES DURING 2012/13 IDP REVIEW

PHASE	ACTIVITY	RESPONSIBLE	OUTPUT	TIME FRAME
PREPARATION PHASE	Develop Draft 2012/2013 IDP Review framework and process plan	IDP Manager	• Approved 2012/2013 IDP Review Process Plan	July 2011 Week 4
	First IDP Steering Committee Meeting	IDP Manager		11 November 2011
	First IDP Representatives Forum	IDP Manager		18 November 2011
	Tabling of Draft 2012/2013 IDP process Planning Sub-committee	IDP Manager		15 August 2011
	Tabling of Draft 2012/2013 IDP process plan for council approval	Mayor & Municipal Manager		27 August 2011
ANALYSIS PHASE	Identification of Gaps, Stakeholder Registration, and Information Gathering	IDP Manager	• Assessment of the existing level of development • Priority issues/problems • Understanding of causes of priority issues/problems • Information on available resources	September 2011 Week 1
	Determination of Revenue Projections, Proposed Rates, and	Budget & Treasury		September 2011 Week 2

	Service Charges			
	Community Consultation Forums on Tariffs, Indigent Credit, Credit Control, and Free Basic Electricity	IDP Manager		September 2011 Week 3
	Revisit Community Needs, Consult, and Assess	IDP Manager		September 2011 Week 3
	Second IDP Steering Committee Meeting	Mayor & Municipal Manager		04 February2012
	Second IDP Representatives Forum	Mayor & Steering Committee		10 February 2012
	SWOT Analysis	Municipal Manager, IDP Manager, stakeholders, sec 57 manager.	• SWOT Analysis	February 2012

PHASE	ACTIVITY	RESPONSIBLE	OUTPUT	TIME FRAME
STRATEGIES PHASE	Proposed IDP/Budget and Tariff Policies	Dept Financial Services & IDP Manager	• Vision(For Municipality) • Objectives(For each priority issue) • Strategic options and choice of strategy • Tentative financial framework for projects • Identification of projects	Week 1 January 2012
	Consultative Forum on Vision, Mission, Objectives, and Localized Strategic Guidelines	IDP Manager		Week 2 January 2012
	Refine Resources and Review Financial Strategies	Special Steering Committee		Week 2 February 2012

	Draft Mid-Year and Draft Annual Report	All Departments/Municipal Manager		Week 1 January 2012
PROJECTS PHASE	Review and Rationalization of Projects, Redesigning and Upgrading Project Designs	IDP Manager	• Project output, targets, and location • Project related activities and time schedule • Cost and budget estimates • Performance Indicators	Week 2 March 2012
	Third IDP Steering Committee Meeting	Mayor & Municipal Manager		April 2012
	Third IDP Representatives Forum	Mayor & Steering Committee		April 2012
	Strategic Planning Session	Council & Management		22 – 24 February 2012
	Tabling of Draft IDP/Budget and Draft SDBIP for Council Approval	Mayor & Municipal Manager		26 March 2012 Week 4
	Submission of Approved Draft IDP/Budget to National Treasury and Dept. Local Government & Housing	Municipal Manager		26 March 2012 Week 4

PHASE	ACTIVITY	RESPONSIBLE	OUTPUT	TIME FRAME
INTEGRATION PHASE	Alignment with Waterberg District Municipality, Provincial, and National Programs	IDP Manager	• 5 Year Financial Plan • 5 Year Capital Investment Plan • Institutional Plan • Reference to Sector Plans • Integrated Sectoral Plans	March 2012 Week 4
	IDP/Budget Roadshow	Mayor & Steering Committee		March 2012 Week 3 – Week 1

				April 2012
	Integration of Multi Year Capital Investment Plan	IDP Manager		April 2012 Week 1
	Screening of Draft IDP Projects	All Departments		April 2012 Week 2
	Integration of Sector Plans and Institutional Programs	IDP Manager		April 2012 Week 2
	Advertisement of draft 2012/13 IDP - Budget	IDP Manager		April 2012 Week 3
	Screening of Inputs and Comments from Communities	IDP Manager		May 2012 Week 1
APPROVAL PHASE			• Public Comments • Approved IDP for the Municipality	
	2012/2013 IDP process to Audit Committee	IDP Manager & Manager Planning		May 2012 Week 2
	Tabling of 2012/2013 IDP process Planning Sub-committee	IDP Manager		May 2012
	Tabling of 2012/2013 IDP process to EC	Municipal Manager & Manager Planning		May 2012
	Mayoral IDP-Budget Road-shows	Municipal Manager & Manager Planning		Aprils 2012 – May 2012
	Tabling of the 2012/2013 IDP/Budget	Mayor & Municipal Manager		May 2012 Week 4
	Submission of Approved	Municipal Manager		June 2012

	IDP/Budget to National Treasury and Dept. Local Government & Housing			Week 2
	Approval of Service Delivery and Budget Implementation Plan(SBDIP)	Municipal Manager		June 2012 Week 3
	Publish approved IDP/Budget	IDP Manager		June 2012 Week 4
	Signing of Annual Performance Agreements for Section 57 Managers	Mayor & Municipal Manager		June 2012 Week 4

B.3. MUNICIPAL POWERS AND FUNCTIONS

Bela Bela Local Municipality (NP 366) is a Category B Municipality as established in terms of Chapter 2 of the Municipal Structures Act 1998. In terms of section 84(1) of the Municipal Structures Act, Bela Bela has the following Powers and Functions.

Table 1: Powers and Functions

Function	**Is this a Shared Service (Y/N)**	**Responsible Department at the Municipality**
Air Pollution	N	Social and Community Services
Building Regulation	N	Economic Development and Planning
Electricity Reticulation	N	Technical Services
Fire Fighting	Y	Social and Community Services
Local Tourism	Y	Economic Development and Planning
Municipal Airports	N	Social and Community Services
Municipal Planning	Y	Economic Development and Planning
Stormwater Management Systems in Built Up Areas	N	Technical Services
Trading Regulation	N	Economic Development and Planning
Potable Water	N	Technical Services
Billboards and Display of Advertisement in Public Places	N	Economic Development and Planning/ Social and Community Services
Cemeteries and Crematoria	N	Social and Community Services
Cleansing	N	Social and Community Services

Control of Public Nuisance	N	Social and Community Services
Facilities for the accommodation, Care and Burial of Animals	N	Social and Community Services
Fencing and Fences	N	Technical Services
Local Sports Facilities	N	Social and Community Services
Municipal Parks and Recreation	N	Social and Community Services
Municipal Roads	N	Technical Services
Noise Pollution	N	Social and Community Services
Public Places	N	Social and Community Services
Refuse Removal, Refuse Dumps and Solid Waste Disposal	N	Social and Community Services
Street Trading	N	Economic Development and Planning
Street Lighting	N	Social and Community Services
Traffic and Parking	N	Social and Community Services

SECTION A: EXECUTIVE SUMMARY

INTRODUCTION AND BACKGROUND

Bela Bela Municipality is located on the south – western region within the administrative boundaries of Waterberg District Municipality which forms part of the Limpopo Province. The municipality shares the boundaries with Modimolle Municipality to the north, Thabazimbi to the west. The municipality also shares the boundaries with Mpumalanga Province to the south east, Gauteng to the south and North – West province to the south west.

The size of Bela Bela Municipal Area is approximately 4000 km^2 in extent. This local authority consists of eight municipal wards and it is considered to be a significant contributor to the economy of the district due to a number of positive factors that it entails, particularly its location and role in the regional economy brought by the cross boundary opportunities which includes the areas that fall outside of the Limpopo Province.

ROLE OF BELA BELA IN THE REGIONAL CONTEXT

Whereas Bela Bela exists within the administrative boundaries of Limpopo Province, it can be argued that its position and role in the regional space economy is tightly interlinked with the spheres of influence from the regions that fall outside of the Limpopo administrative boundaries. As previously indicated, Bela Bela shares its administrative boundaries with the Gauteng, Mpumalanga and North – West Provinces. The economic characteristics and spatial variations of these provinces differ substantially to each other and to the province of Limpopo to a larger extent.

Gauteng is the most dominant province in the country in economic terms, with the Gross Domestic Product (GDP) that accounts for 33% in the sub – national African economy. The composition of Gauteng's GDP is mainly built of tertiary sectors (i.e. Transport/ Communication, Finance/ Real Estate and Other Business Services), manufacturing industries and mining (i.e. secondary and primary sector). On the spatial perspective Gauteng is the smallest province in the country in terms of geographical size, 97% of it is urbanised and it is currently experiencing environmental degradation due to industrial base and manufacturing activities (i.e. deterioration of air quality through gaseous emissions), bio – diversity destruction and habitat loss due to population pressure (<500 people per ha) and it generates the highest volumes of waste which accounts for approximately 80% of the total waste generated in the country.

Bela Bela Central Business District (CBD) is directly linked with the major cities of Gauteng through the National (N1) Route which connects the area with Pretoria at the approximate distance of 100 km and Johannesburg which is approximately 170 km from Bela Bela CBD. This spatial linkage presents a number of opportunities for Bela Bela, such that it has become a fast growing getaway to the tourism market of Gauteng who are mainly attracted to the natural environment that is less congested by human activity and the nature-based tourism products. Further to that Gauteng has been the primary location for the major investments in the country and Bela Bela's location in close proximity to Gauteng has made it highly attractive for major private investments.

Mpumalanga is ranked as the fourth province with the high GVA in the country but unlike Gauteng, this province is 61% rural and the dominant economic sectors are mining, energy and manufacturing. Bela Bela shares its borders with Mpumalanga province and it is directly linked to it through the Provincial (R516) Routes. In terms of tourism Mpumalanga is considered to be the third most visited province in the country (following Gauteng and Western Cape). The tourism status of this province and its close proximity to Bela Bela is also a contributing factor towards the growth of the tourism industry in Bela Bela since the visitors easily commute between these three regions (i.e. Gauteng, Mpumalanga and Bela Bela).

According to Provincial (Limpopo) Growth and Development Strategy, the economic potential of the Limpopo Province is mainly centred on the five economic clusteres and these includes mining, agriculture (horticulture and food processing – red and white meat), logistics, forestry and tourism. At the administrative level, Limpopo province comprises of 5 District Municipalities and Bela Bela exists within the Waterberg District's area of jurisdiction.

Waterberg District is predominantly rural and the key pillars for development within this district are mainly centred on these economic sectors which include agriculture, mining and tourism. There are massive tourism attractions that cut across Bela Bela, Modimolle, Mogalakwena and Lephalale areas and these include Makapan's Valley, World Heritage Site, Nature Reserves, hot-springs, fauna and flora. Bela Bela is already boasting an extensive and well known tourism network with key attractions and facilities that exists in it as well as its competitive edge through its proximity to Gauteng.

However there are key areas of concern and weakness in terms of the space economy of Waterberg District such as the high clusters of poor which indicates a 'mismatch' between where people are located and where economic activities are taking place. This was also exacerbated by the demand of specialised skills in key sectors of the economy since the skills base is relatively low amongst the poorer communities. The other level of hardships that is currently experienced by Waterberg District's areas is the provision of sufficient water supply to cater for future economic growth and development.

The key intrinsic characteristics as previously indicated arise out of the opportunities and benefits that the Bela Bela obtains due to its position and unique characteristics in the economically functioning system of its surroundings. The brief criteria for success can be outlined as follows:-

- Bela Bela should live up to its potential as the decent and accessible prime tourist getaway destination;
- and a prestigious investment location that is environmentally friendly and sustainable;
- The investments should be compacted within the urban fabric so that;
- Urban sprawl could be prevented and discouraged;
- Habitat and natural resources should be adequately protected to sustain the areas intrinsic characteristics

BELA BELA'S INTEGRATED DEVELOPMENT PLAN (IDP)

Since the first democratic elections in South Africa in 1994, the nature and functions of municipalities changed drastically, with more emphasis being placed on the developmental role of local authorities. Developmental local government can only be realized through Integrated Development Planning and specifically the compilation of an Integrated Development Plan (IDP). Bela Bela adopted its first Integrated Development Plan in 2002 and this plan is reviewed annually.

Bela Bela Municipality IDP (2012/ 13) serves as a strategic guide within all spheres of development within the municipality (please refer to Box 1). It is based on the issues articulated by the stakeholders and it is aligned with the national and provincial development imperatives such as National Spatial Development Perspective (NSDP), New Growth Path, MTSF, Draft National Development Plan and the Limpopo Economic Growth and Development Strategy (LEGDS).

1. BELA BELA IN CONTEXT

Location: 105km north of Pretoria and 8km to the west of the N1 North. The town of Bela Bela (formerly Warmbaths) is situated against the Waterberg mountains in bushveld country. Elevation 700 - 1000m above sea level.

Climate: Very hot in summer with frequent thunderstorms developing during the late afternoons. Cooler across the higher locations. Winter temperatures are significantly cooler with clear sunny days. Warm clothes are necessary during these months. Annual rainfall 350mm - 750mm falling mainly during the months of September to April.

Health: The Waterberg region is malaria free – no precautions are necessary. Visitors to the far north of Limpopo Province and particularly along the Limpopo valley should take precautions.

Languages: English, Afrikaans, Sepedi. English is widely spoken.

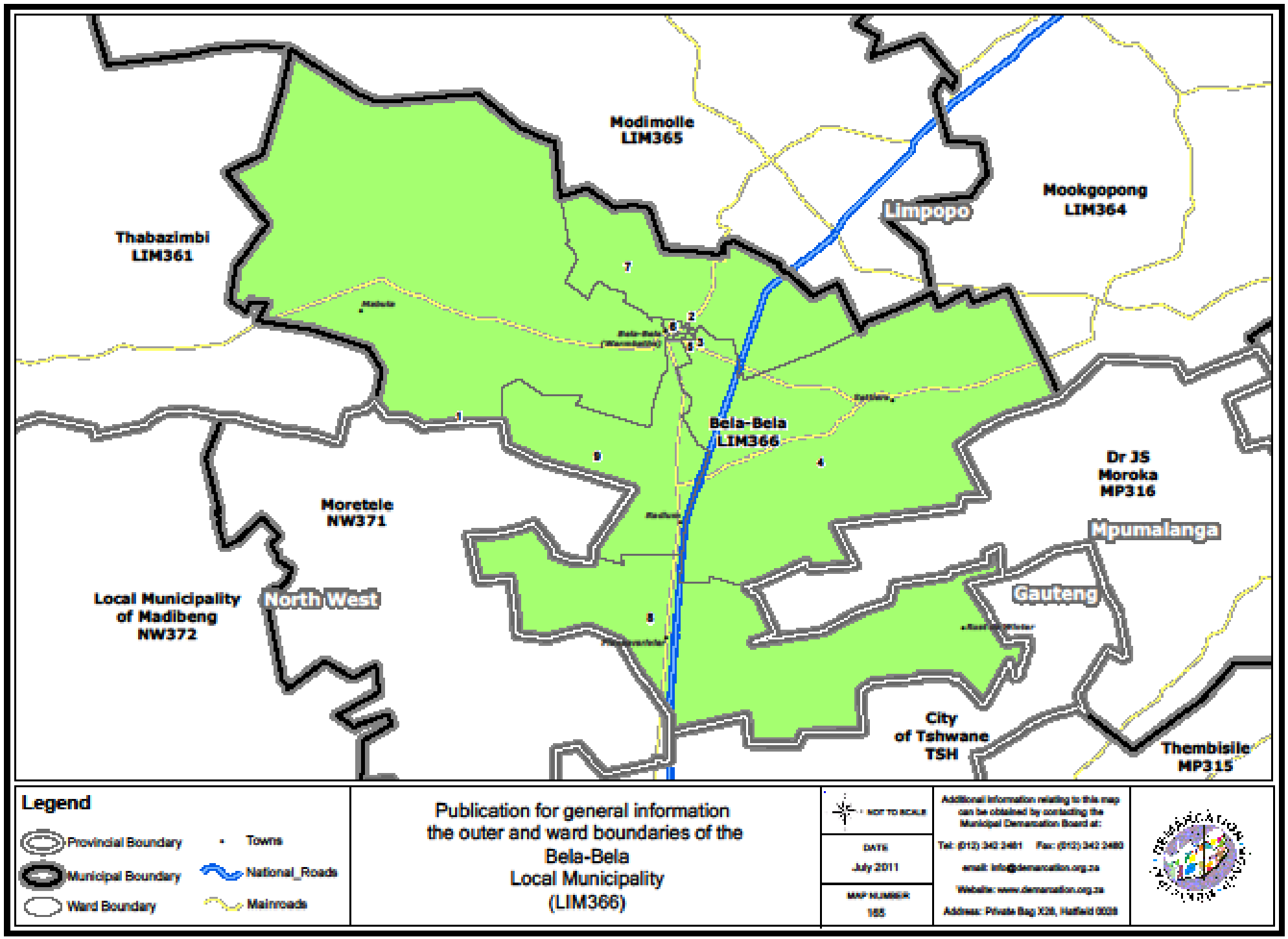
Essential Kit: Camera, with spare batteries and digital disc, binoculars, strong walking shoes, swimwear, sun cream and sun hat. Warm clothing for night game drives and winter evenings. It is always advisable to carry a supply of bottled water especially during the summer months. Golfers should pack full golfing kit to enjoy the region's golf courses.

Roads: All main roads are tarred. Some secondary roads could have a soft sandy surface but are generally suitable to all vehicles except during heavy rainfall periods. Be careful to avoid pot holes. Never attempt to cross flooded drifts.

Cellphones: Operate within reasonable range of all centres but not deep in the mountain areas.

Have you ever?
Relaxed in the hot springs at Bela Bela
Hiked in the Waterberg mountains
Walked a nature trail in game country
Visited the largest crocodile farm in Southern Africa
Driven the scenic routes of the Waterberg
Driven a 4x4 trail through the mountains
Spent a weekend at a game lodge
Waterski-ed on the Bela Bela dam
Parasailed off a mountain
Fished for carp and bream
Experience a cheetah run
Been in a wild dog enclosure
Bird watched at Nylsvlei
Visited the Marakele National Park
Enjoyed the luxury of a spa treatment
or
Just enjoyed the tranquility of the bushveld with all that it offers

2. STUDY AREA AND WARDS



3. SITUATIONAL ANALYSIS

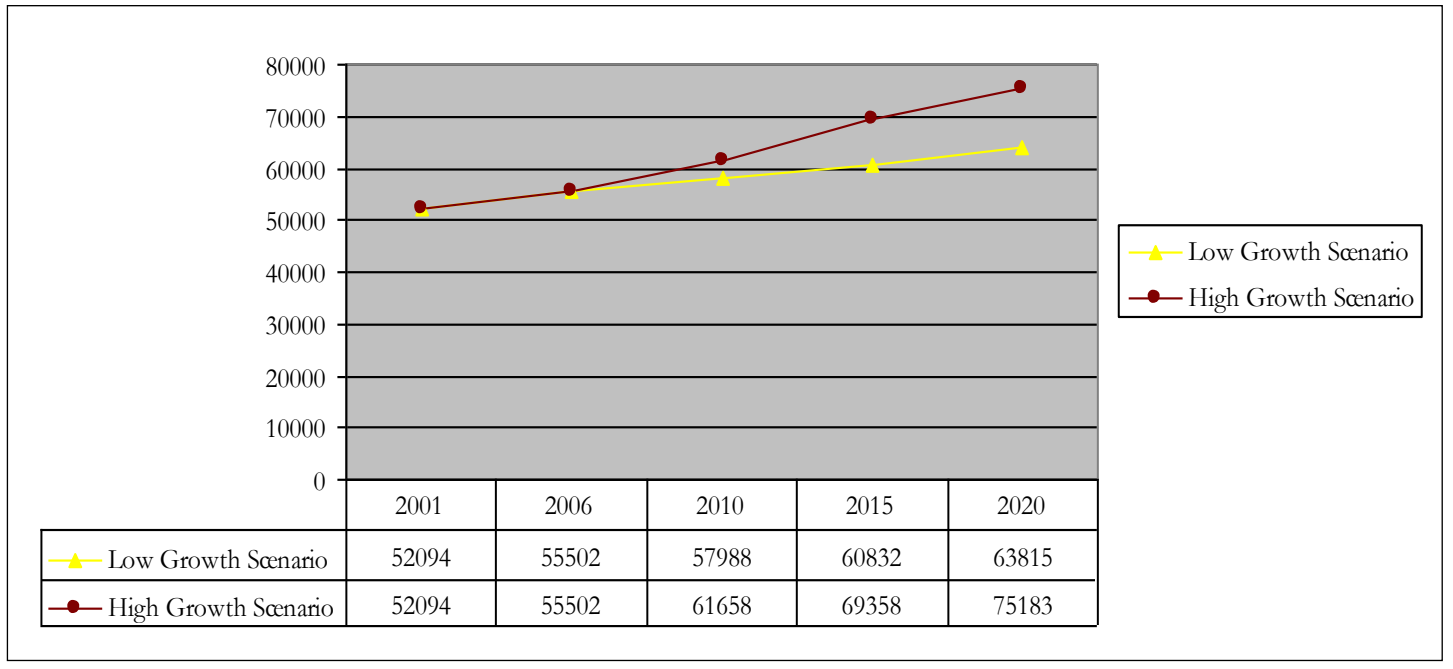
3.1. DEMOGRAPHIC OVERVIEW

3.1.1. Population Dynamics and Future Growth Trends

3.1.1.1. Population size and Growth Projections

The total size of Bela Bela's population is currently estimated at 55 841 individuals. This is based on census 2007 which also estimate that there are approximately 14 290 households within Bela Bela. Statistics South Africa indicated that this figure also takes into account Rapotokwane Village which was incorporated into the municipality from Dr J.C. Moroka Municipality (Mpumalanga Province) in 2000. Figure 1 below illustrates the estimated population projection when the information from BMR is taken into account.

Figure 1: Population Growth 2001 – 2020



	2001	2006	2010	2015	2020
Low Growth Scenario	52094	55502	57988	60832	63815
High Growth Scenario	52094	55502	61658	69358	75183

Source: BMR Growth Rates

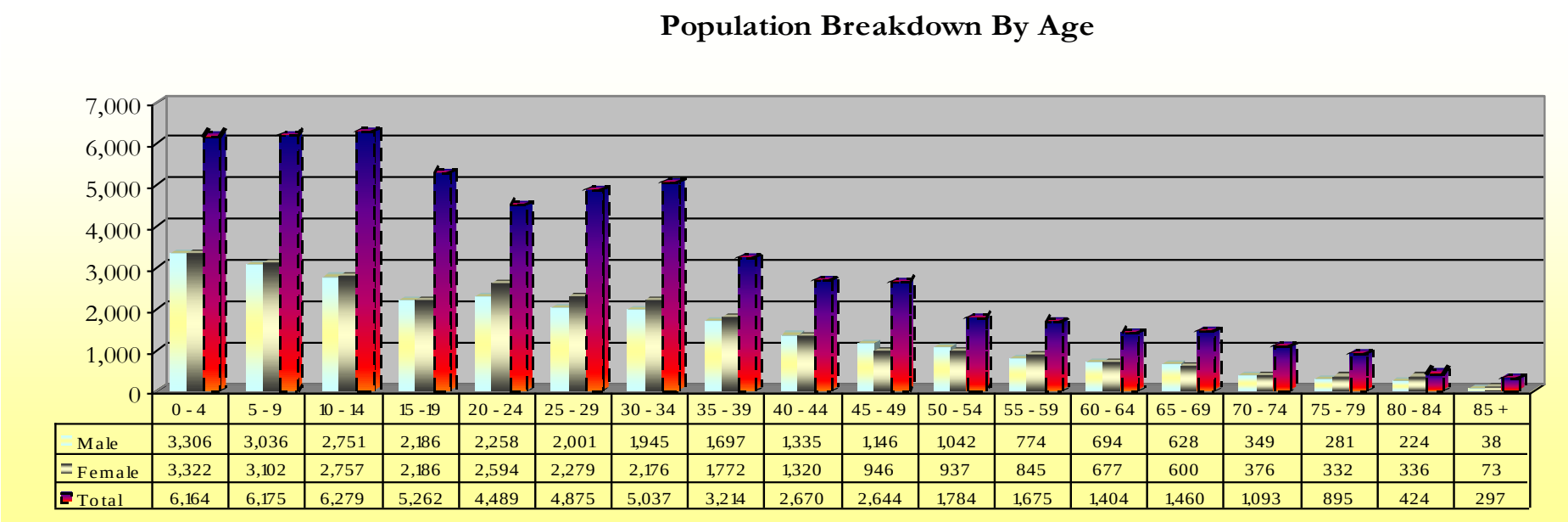
HIV/ AIDS is continuously having an impact on population growth and the DBSA database estimated approximately 14 333 individuals were infected in Bela Bela by 2006. The high growth ratio takes into account other main factors such as in – migration, which can result in further increase in the population within Bela Bela. It would be recalled from the 2007/ 08 IDP that there are a number of people who have relocated from Gauteng to Bela-Bela Town (specifically in the Warmbaths Extensions) to get away from the busy life of Gauteng.

They still have offices in Gauteng, but due to the development of technology they do not need to go to the office every day and therefore choose to live in areas such as Bela-Bela Town, further away from the city. The second factor is the increase of people entering the property market to such an extent that the number of home owners increases. There was also an increase in people who bought weekend/holiday homes in resorts, estates, etc, of which some also opted for permanent residency specifically in the Estate developments. It can be assumed that the real growth rate for permanent residence in Bela-Bela Municipal area might even be higher than anticipated BMR growth rates up to the year 2020 as indicated in Figure 1 above.

3.1.1.2 AGE COMPOSITION

The age composition or structure determines the kinds of economic activities within the locality. Different age groups have different economic needs and different spending patterns. According to the Census 2007, Bela Bela is dominated by the youthful population with the largest age group being the children between the ages 0 – 14 constituting 33% of the entire population. This is followed by the youth between 15 – 34 age group constituting 35% of the total population. The adults ranging from the ages of 35 – 64 constitute of 25% of the population and the aged (over 65) accounts for 9% of the total population.

Figure 2: Age Structure in Bela Bela Municipal Area.



	0 - 4	5 - 9	10 - 14	15 -19	20 - 24	25 - 29	30 - 34	35 - 39	40 - 44	45 - 49	50 - 54	55 - 59	60 - 64	65 - 69	70 - 74	75 - 79	80 - 84	85 +
Male	3,306	3,036	2,751	2,186	2,258	2,001	1,945	1,697	1,335	1,146	1,042	774	694	628	349	281	224	38
Female	3,322	3,102	2,757	2,186	2,594	2,279	2,176	1,772	1,320	946	937	845	677	600	376	332	336	73
Total	6,164	6,175	6,279	5,262	4,489	4,875	5,037	3,214	2,670	2,644	1,784	1,675	1,404	1,460	1,093	895	424	297

Source: Census 2007

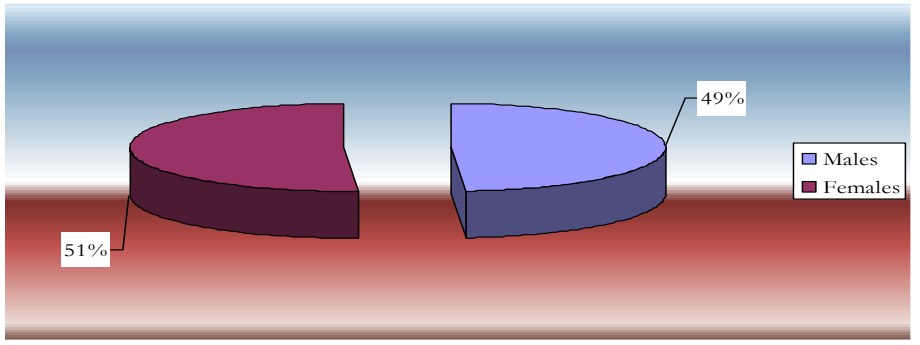
This trend in age composition obliges the government departments and the municipality to ensure that a large percentage of the budget is allocated to social development facilities in order to meet the needs of a youthful population and ensuring that people falling within this age acquire relevant skills and grow

up to become responsible adults. The creation of more job opportunities should also be one of the key aspects of the developmental agenda by the municipality in partnership with the sector departments such as the Department of Education.

3.1.1.3 GENDER DIFFERENTIATION

With reference to figure 4 below, the gender composition within Bela Bela indicates a slight imbalance between the males and females. The Census 2007 revealed that approximately 51% (28 304) of the population within Bela Bela comprises of females while 49% (27 546) comprises of males. Nevertheless this confirms with the national trends that a higher proportion of women are found in the rural areas than men. This in many instances, especially amongst the African communities is attributed by the fact that men are generally attracted to places such as the bigger cities (i.e. Johannesburg etc.) that presents the employment opportunities sometimes regardless of the nature of work involved.

Figure 3: Gender Composition



Source: Census 2007

In addition to the above, it can also be suggested that there is a need for a developmental agenda that should pro – actively target women empowerment within Bela Bela Municipal Area.

4. SPATIAL PLANNING & LAND – USE MANAGEMENT

Why this KPA? Strengthen Spatial Planning Land Use/GIS and Sustainanble Human Settlements systems and practices

The Municipality embarked on a process to review the Spatial Development Framework (SDF) that was adopted during 2006. The draft SDF has been completed and has been submitted to Council for consideration. Waterberg District Municipality also assisted the Municipality with the compilation of the Central Business District (CBD) Development Plan. The draft CBD Development Plan has also been completed and will be submitted to Council for adoption as a component of the SDF. Both these plans will assist the Municipality in processing planning and development applications and thereby contributing towards creating conducive environment for investment and sustainable economic development within the Municipality, if properly implemented.

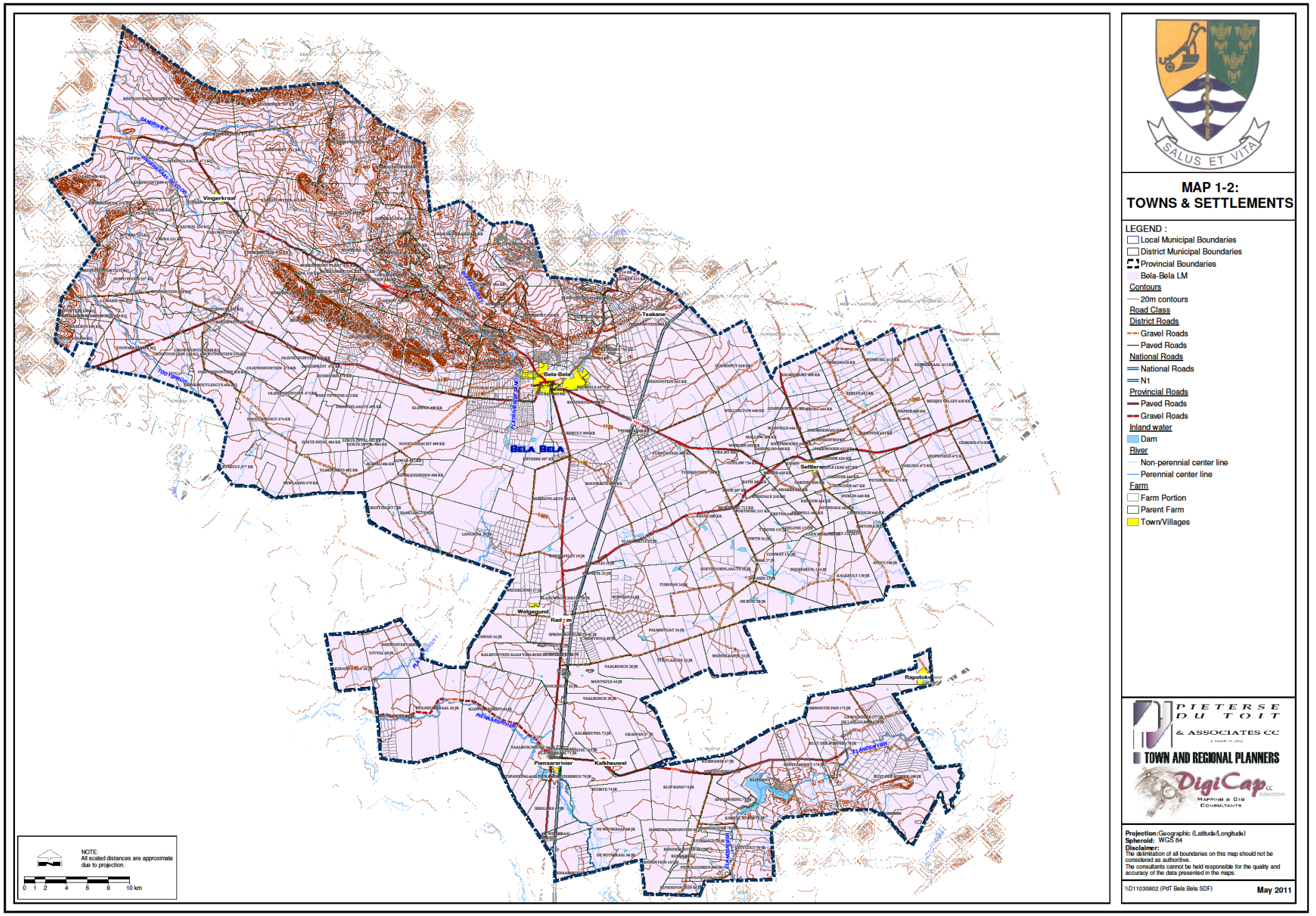
The Bela-Bela Local Municipal area is situated on the southern side of the Waterberg District Municipality in the Limpopo Province. It borders the Gauteng Province on the south and south-east, the Northwest Province on the west, Mookgophong Local Municipality on the north-east and Modimolle Local Municipality on the northern side.

The total area of the Bela-Bela Local Municipality is approximately 337 605.55 ha in extent. It is the smallest Local Municipality in the Waterberg District and represents ±6.8% of the total Waterberg District area.

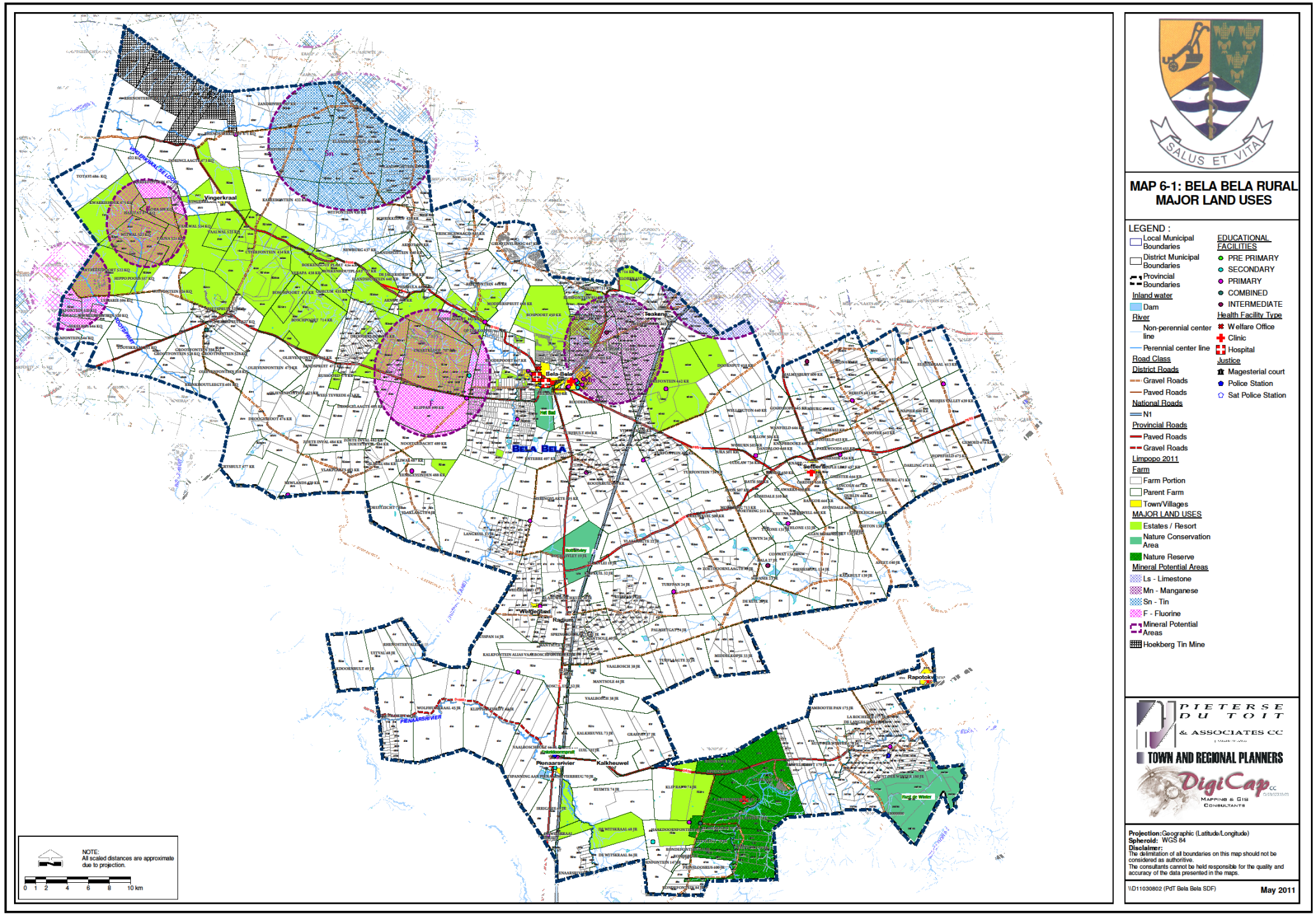
The Bela-Bela Municipal Area includes two formal towns, namely Bela-Bela Town and Pienaarsrivier as well as other smaller settlements such as Settlers, Radium/Masakhane, Rapotokwane, Vingerkraal and Tsakane.
The Limpopo Spatial Development Framework and existing SDF identified the following nodal areas in the Bela-Bela Municipality Area namely:

- 1 Provincial Growth Point (PGP) i.e. Bela-Bela Town; and
- 1 Municipal Growth Point (MGP) i.e. Pienaarsrivier.

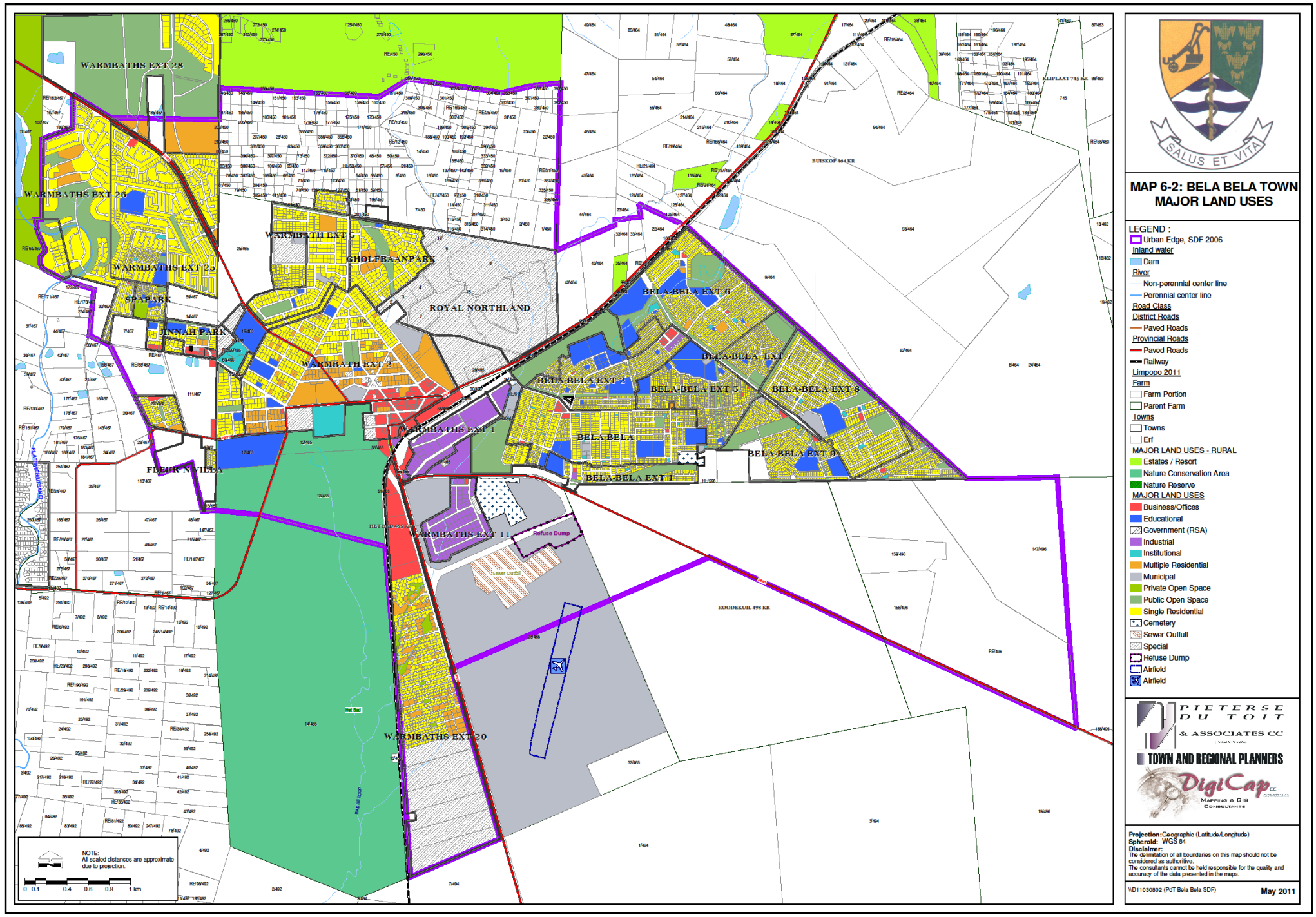
MAP 1: TOWNS AND SETTLEMENTS



MAP 2: MAJOR LAND USE MANAGEMENT



MAP 3: MAJOR LAND USES IN TOWN



4.1. LAND REFORM AND RURAL DEVELOPMENT

Land in the rural area is still largely White owned. However, a total of 56 land claims, were lodged within Bela Bela through the Land Claims Commission in 2001. The majority of these claims are still under investigation and there are two claims that have been settled within three farms as indicated in table 19 below. The size of these farms in total accounts for 5 381, 6 ha in extent. To date, some of the claims have been rejected whereas the remainder is being assessed at the moment. The existence of these land claims increases the general business risk for the farmer, resulting in the postponement of investment decisions until more security has been established. It is therefore imperative that the claims be processed as speedily as possible not only to reduce the investment risk, but also to promote landownership amongst the previously disadvantaged communities.

MAP 4: LAND CLAIMS

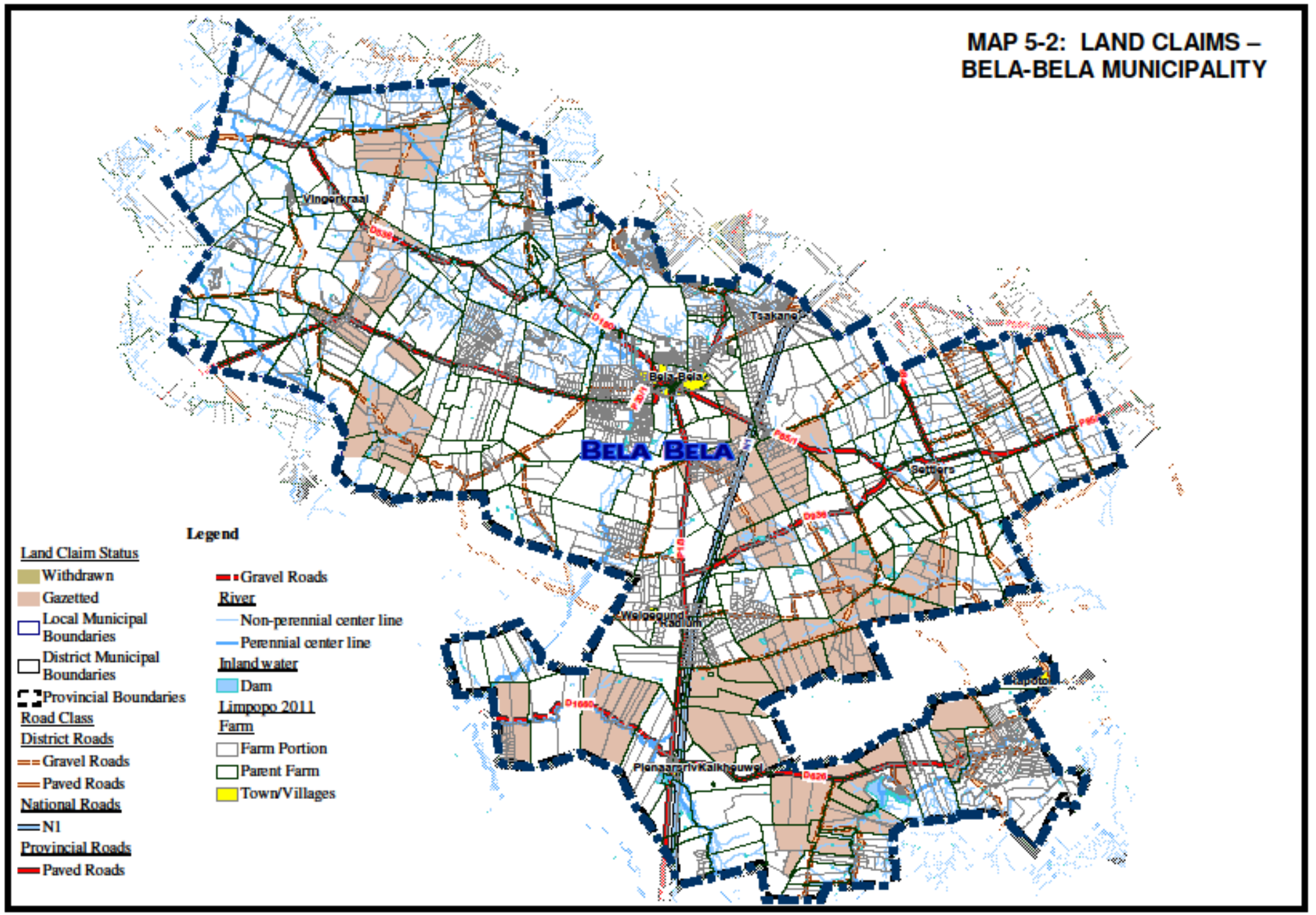


Table 1: Audited Restituted/Settled Land Claims within Bela Bela Municipal Area

Project Name	No.	Properties Restored	Total area (ha)	No. of households	Status of the project	Challenges	Post-settlement support requirement
Moretele (pienansrevier) phase 1, 2 & 3	1	Vaalboschblt 66 JR Ptn 1& 13	1,966	111	Cattle farm utilized by beneficiaries	Conflict of the usage of land that benefit individuals rather that beneficiaries	Subdivision of camps with motive of catering individual commercial farmers with the beneficieries
Letlhakaneng (phase 1, 2 & 3)	1	Turffontein 499KR Ptn 24, 25, & 39. Phase 2 ptn 17, 19 23, 29, 32, 34 and 35 (152. 6582) ptn 18, 20, 32 and 33 of farm Turfontein 499	305	95	Small holdings not utilized	Limited agricultural potential	Explore alternative land use
Mawela family	1	Farm Gruispan 16 JR	1,392	37	Recently restored	Lack of project and natural resource information	Develop business for cattle and cash crops
Bela Bela (phase 1 & 2)	1	ptn 2, 4, 5 and ptn 8 of Olieventein 475 KR, R/E of Olieventein 562 KR, ptn 3, 31 and R/E of ptn 34 of the farm Rietspruit 527 KQ and ptn 1 of Zandspruit 472 KR (Phase 1) Ptn 11, 14, 16, 20, 21, 22, R/E of ptn 24, 25 & 38 of the farm Rietspruit 527 KR R/E of ptn 9 & 10 of the form Zoete-inval 484 KR Ptn 4 of the Farm Aliwal 486 KR	6,724	90	Recently restored	Lack of project and natural resource information	Conduct feasibility study to determine possible agricultural enterprises
Ga Mashong Matlala (phase 1	1	Haakdoringfontein 85 JR: R//E Ptn 1, 2, 3 4, 6, 7,			Project partially utilizedby the beneficiaries for cattle enterprise.	Obtaining operational capitalfor agricultural	Release of available grant funding:

to 3)		Kameelrevier 77 JR: Ptn 2, 4, 5, 6, 7, 8, 13 Kliprand 76 JR: R/E Ptn 1, 2, 3, 7, 8, 9, 13, 15, 17, Elandsoewer 707 JR, Uitvlugt 709 JR Apiesdoring78 JR, Kumnandi 67 JR	6, 042	174	Game farming and tourism drvelopment on the remainder portion	production programme for cattle and poultry farming	provision of training for the identified farmers/beneficiaries who will be actively involved with farming
Nosijeje/'Maurine Patience		R/E of Ptn 21, 22, 32, 33, 34, and 35 of the farm Buiskop	62	0			
		R/E of ptn 4 of Middelkopje 33 JR, ptn 11, 5, 6, 7 R/E of ptn 8 of Middelkopje 33 JR ptn 12, 13, 14, R/E of De Kuil 28 JR, Turflaagte 35 JR Ptn 5 of Turflaagte 35 JR R/E of Palmietgat 34 JR R/E of ptn 3 of Palmietgat 34 JR Ptn 4 of Turflaagte 35 JR Ptn 1 of Granspan 37 JR R/E OF Kalkheuvel 73 JR Ptn 1 of Vaalbosch 38 JR Ptn 1, 2, & 3 of the farm Turflaagte 35 JR	8,217 59	0	Recently restored		

There are ten (10) claims which have been gazetted to date and table 2 below is detailed indications of these land claims and the period through which each claim was published.

Table 2: Gazetted Land Claims within Bela Bela Municipal Area

CLAIMANT	KRP	PROPERTY DESCRIPTION/ FARM NAME	GAZETTE NO.	PERIOD
Sindane Family	891	Boomfontein 666 KS	620 of 2003	2003/03/14
Bela Bela Community	2441	Cyferfontein 434 KR	3269 of 2003	2004/11/07
		Droogesloot 476 KR		
		Olievenfontein 475 KR		
		Rietspruit 527 KR		
Letlakaneng Community	744	Turfontein 499 KR	3167 of 2003	2003/11/07
		Rust De Winter 178 JR	29689 of 2007	
Mathole Family	900	Middelkopye 33 JR	29689 of 2007	
Moikanyane CP	6277	Tambotiepan 175 JR	29689 of 2007	
Matsemela E Ramakete Community	11505	Vaalboschbult 39 JR Zaagkuildrift`	29689 of 2007	

A total of 30 land claims have been gazetted within the Bela-Bela Local Municipality Area. An area of approximately 109 061 ha is potentially affected by land claims and the total budget for these claims comes to an amount of approximately R146 485 142-00. Many of the land claims have been rejected, but the extent of these land claims and the potential impact it may have depending on the outcome of investigations and research would be substantial and may impact on the spatial development of the Bela-Bela Local Municipality Area. There are remaining land claims (42) are still under investigations; table 3 below is the details of all these claims which are currently outstanding.

Table 3: Outstanding Land Claims within Bela Bela Municipal Area

KRP NO.	PROPERTY DESCRIPTION	CLAIMANT NAME	STATUS OF CLAIM	SIZE OF LAND IN EXTENT
1606	Cyferfontein 434 KR & others	Bela Bela Community	Negotiations	1715, 3695 ha
1509	Buiskop 464 KR	Buiskop Community	Further Research	2487, 3905 ha
335	Diepdrift	Mookgopong Community	Further Research	2123 ha
6276	Driefontein 553 KQ	Mokitlane Mosehlane	Further Research	4432, 56 ha
1798	Hartebeesfontein 558 KQ	Seama Community	Further Research	2122, 33 ha
958	Unclear	Bjatladi Phase 2	Further Research	3242, 44 ha
12008	Uitvlugt 79 JR	Sindane Community	Further Research	3241, 123 ha

9160	Drooglaagte 485 KR	Moneki Makgai Community	Further Research	2134, 234 ha
1632	Unclear	Dilokweng Community	Further Research	2314, 23 ha
461	Groothoek 99 KS	Manaileng	Further Research	3456, 56 ha
6274	Prague 7734 LR	Chokwe Community	Further Research	4432, 56 ha
7856	Zandfontein 31 JR	Matlala TK	Further Research	3242,44 ha
7311	Unclear	Nasser L	Further Research	2122, 34 ha
10563	Unclear	Olifant DJ	Further Research	3212, 34 ha
8249	Unclear	Motlapodi Community	Further Research	2341, 123 ha
7314	Unclear	Mogotlane MR	Further Research	2134, 234 ha
7313	Unclear	Dikobala MH	Further Research	3000 ha
1073	Unclear	Manaka KK	Further Research	3456, 56 ha
8247	Platreef, Mapela (Unclear)	Masenya MP	Further Research	4432, 56 ha
8246	Unclear	Hassim MH	Further Research	2122, 33 ha
10990	Erf 169 Piet Potgietersus (Unclear)	Bryat IE	Further Research	3242, 44 ha
6275	Unclear	Teffo WR	Further Research	3242, 44 ha
11173	Witfontein 526 KQ	Mahlangu JP	Further Research	2218, 5298 ha
6275	Eldarado 388 LQ	Bangwato Ba Sekgathe Community	Further Research	2487, 3905 ha
7847	Zandfontein 31 JR	Matlala TK	Further Research	2979, 9362 ha
9928	Unclear	Mosam AH	Further Research	35, 874 ha
1502	Unclear	Monyamane MD	Further Research	52, 36985 ha
7315	Bellevue 577 & Others	Matlala Dichoneng Tribe	Further Research	68, 874 ha
9175	Unclear	Johannes Ramaru	Further Research	1933 ha
12181	Unclear	ME Chauke	Further Research	28552 ha
10545	Louwiskraal 1104 MS	Maake MM	Further Research	1187 ha
1797	Erf 1650 (Unclear)	Ahmed Hassim	Further Research	2123 ha
8243	Mooimei-siesfontein 536 LR	Mokitlane MS	Further Research	2487, 3905 ha
10317	Unclear	Hassim I	Further Research	2123 ha
10893	Strikkloof	Matlou MH	Further Research	2487, 3905 ha
5249	Unclear	Kekana MJ	Further Research	1715, 3695 ha
741	Kalkfontein 140 JR	Nokaneng Community	Further Research	2487, 3905 ha
11265	Elsjeskraal 613 KR	Bagatla a Mmakau of Mokgoko	Further Research	1715, 3695 ha
1631	Mantsole 40 JR	Ntshodisane MI	Further Research	1987, 5455 ha

A major concern from commercial agriculture is that not all the beneficiaries are really interested in farming, but only want to stay on the land. This results in land not used productively, or even laying fallow.

4.2. SPATIAL DEVELOPMENT OBJECTIVES

The development of Bela Bela SDF was informed amongst others by the three key objectives. The basic principle is to promote development and land-uses which will contribute to efficiency, sustainability and viable communities over the long term to stimulate economic activity in a sensible manner. These can be briefly highlighted as follows:-

4.2.1. Ensure protection of the natural environment and optimal usage of limited natural resources in Bela-Bela:

- Delineation of the urban edge to limit ad-hoc, non-structured development;
- Promote "in fill" development in open spaces in the Bela-Bela Town area in order to promote densification of the urban area;
- Identify desired directions of growth within the Municipal area;
- Rectify past environmental impacts; and
- Define environmental sensitive areas, nature conservation areas and areas where certain land-uses should be avoided in order to protect the environment.

4.2.2. Ensure sustainable economic growth of Bela-Bela Local Municipality:

- Identify land-uses which can contribute to the economic development of the area;
- Increase the economic viability of Bela-Bela Town by supporting the densification and incorporation of mixed land-uses within urban areas;
- Identify a hierarchy of business centres, [i.e. the Central Business District (CBD) and neighborhood centres];
- Identify areas in which the intensity of land development could be increased or reduced;
- Develop the Bela-Bela Local Municipality area as an attractive, unique and preferred tourism destination by:

  - Promoting and supporting the development of new tourism destinations;

  - Promote the Dinokeng Tourism Initiative;

  - Develop a tourist support and supply system to promote local crafters and suppliers;
- Protect and manage areas with significant natural resource base from human settlement development, e.g. agricultural, mineral and ecological potential;

- Identify criteria for evaluating land development applications with respect to economic viability with respect to infrastructure etc, and
- Use existing infrastructure and land more optimally.

4.2.3 Creating sustainable human settlements and quality urban environments for all communities:

- Ensure that affordable and sustainable services and infrastructure are available for all communities that promote the optimum utilization of scarce resources;
- Ensure the supply of serviced sites for residential (i.e. all socioeconomic categories) and non-residential uses;
- Identify special development areas to redress past imbalances;
- Promote different housing and tenure options that increase choice in the municipal area while contributing to residential densification;
- Promote the establishment of economic activities and job opportunities within urban areas and discourage development outside these areas;
- Prohibit illegal land occupation;
- Ensure equitable access to natural and non-natural resources; and
- Built habitable and safe communities where homes area safe and places of work are productive.

4.3. SPATIAL DEVELOPMENT RATIONALE AND HIERARCHY OF NODES

The Limpopo Province developed a Provincial Spatial Rationale in 2002, reviewed in 2007, which identified a settlement hierarchy for the whole province. This settlement hierarchy is not based on individual settlements only, but settlement clusters for priority development nodes. *Settlement clusters* therefore indicate priority development areas/nodes in which primarily first order settlements (three types of growth points) and second order settlements (population concentration points) are identified. Growth points are therefore the highest order in the settlement hierarchy, with Population Concentration Points being the second order in the settlement hierarchy.

First order settlements (Growth Points) are individual settlements (e.g. towns/villages) or a group of settlements located relatively close to each other where meaningful economic, social and institutional activities, and in most instances a substantial number of people are grouped together. These growth points seem to have a natural growth potential, but do not develop to their optimum potential due to the fact that capital investments are made on ad hoc basis without any long-term strategy for the growth point and/or the area as a whole.

The three categories of growth points are described in terms of their relative importance (priority) in the hierarchy:

- **Provincial Growth Point (PGP).** A provincial growth point is the highest order in the hierarchy and therefore also the most important type of growth point. All the PGP's have a sizable economic sector providing jobs to many local residents. They have a regional and some a provincial service delivery function, and usually also a large number of social facilities (e.g. hospitals, tertiary educational institutions). All of them have institutional facilities such as government offices as well as local and/or district municipal offices. The majority of these provincial growth points have a large number of people. The only Provincial Growth Point identified in the Bela-Bela Local Municipal Area is Bela-Bela Town.
- **District Growth Point (DGP).** These growth points already have a meaningful economic sector with some job creation, various higher order social facilities such as hospitals and/or health centres, and some accommodate tertiary educational institutions. Most of these district growth points have regional government offices and in many instances also district and/or local municipal offices. Most of the district growth points have a large number of people grouped together. There is no District Growth Point in the Bela-Bela Local Municipal Area.
- **Municipal Growth Point (MGP).** In terms of the various categories of growth points the municipal growth points have a relatively small economic sector compared to the district, but more specifically the provincial growth points. Municipal growth points serving mainly the farming areas often have a sizable business sector providing a meaningful number of job opportunities. These growth points usually have a few higher order social and institutional activities. In most instances these growth points have a reasonable number of people. Pienaarsrivier is the only Municipal Growth point identified for the Bela-Bela Local Municipal Area.

The other low order nodes of the Municipality consist of the settlements/towns of Settlers, Rust de Winter, Radium, Vingerkraal, Tsakane, Rapotokwane, as well as farms and smallholdings.

4.4. BELA BELA SPATIAL FRAMEWORK FOR FUTURE DEVELOPMENT

4.4.1. BELA BELA TOWN AND URBAN EDGE

Bela-Bela Town is the primary provider of social services and bulk infrastructure for the Local Municipal Area. It is important to promote the development of Bela-Bela Town as a compact integrated town. An urban edge has been identified and growth should be stimulated in the undeveloped areas within the urban edge.

The necessity to define a clearly demarcated and functional urban edge for Bela-Bela Town is clear if the amount of urban sprawl that has already taken place is taken into consideration. It is a well known fact that a compact, well-planned town can be serviced easily and more cost effectively. In order to ensure a compact town specific guidelines need to be set out for future development that will take place in the urban edge.

A substantial volume of ad-hoc development leading to urban sprawl has already taken place around Bela-Bela Town. Enormous pressure exists for this unsustainable urban form to further escalate if it can not be contained and linked to a strategy of intensifying and compacting the urban areas. The first step in promoting a compact town and infill development in Bela-Bela Town is to identify a definite urban edge with an indication of priority or "preferred" areas for future urban development.

4.4.2. Small Towns: Pienaarsriver, Radium and Settlers

Pienaarsrivier was identified as a Municipal Growth Point according to the Limpopo Province Spatial Rationale. After Bela-Bela Town, Pienaarsrivier is the second most important growth point in the Bela-Bela Local Municipal Area and it is important to develop this node as such, based on the local economic growth potential.

Settlers is a relatively small agricultural town within the Springbok Flats Area with a substantial agricultural potential, specifically for cash crop farming. The existing town has a farmer's co-operative which service the farming community, an agricultural school, as well as a combined primary/high school. There are also a few small businesses, a community hall, etc. to serve the local community. Settlers is also very well located in terms of important provincial roads

No major future development is envisaged for Settlers. New residential development (if any) must follow a formal township application procedure as the town is located in an area with relative high agricultural potential. The town is surrounded by arable land, used for cash crop farming.

Radium is a very small town in close proximity to the N1 National road, but adjacent to Road P1/3 almost halfway between Bela-Bela Town and Pienaarsrivier.

4.4.3 Settlement Areas and Villages: Rapotokwane

Rapotokwane is a village which does not have an economic base and is a dormitory settlement with people working as migrant laborers elsewhere or in the surrounding areas and farms. It is proposed that the village be provided, as far as possible, with basic municipal infrastructure. No expansion of the village is proposed, but rather upgrading with formalization and "in-fill" planning as far as possible to address the existing problems and improve the quality of life of the village's residents. There are approximately 141 vacant erven which is adequate for normal population growth (with no influx).

Vingerkraal is an informal settlement which is situated within the farm and isolated from an economic activity and basic infrastructure within the municipal area. It is proposed that the option for the relocation of this community to one of the existing economically viable nodes be determined and considered by Council prior to a final decision on this matter.

4.4.4 FARMLANDS AND AGRICULTURE DEVELOPMENTS

High potential agricultural land irrespective if currently used for cash crop farming or not, should be protected against future sterilization of this land by settlement development or any alternative land-uses. Township development at existing nodes such as Bela-Bela Town, Pienaarsrivier town and others should be sensitive for high-potential agricultural land even though it might be excluded from the Subdivision of Agricultural Land Act (Act No 70 of 1970). It can therefore be concluded that the importance of agricultural development within the municipal area as a contributor to local economic develop should not be ignored, but rather be developed to it's optimal potential.

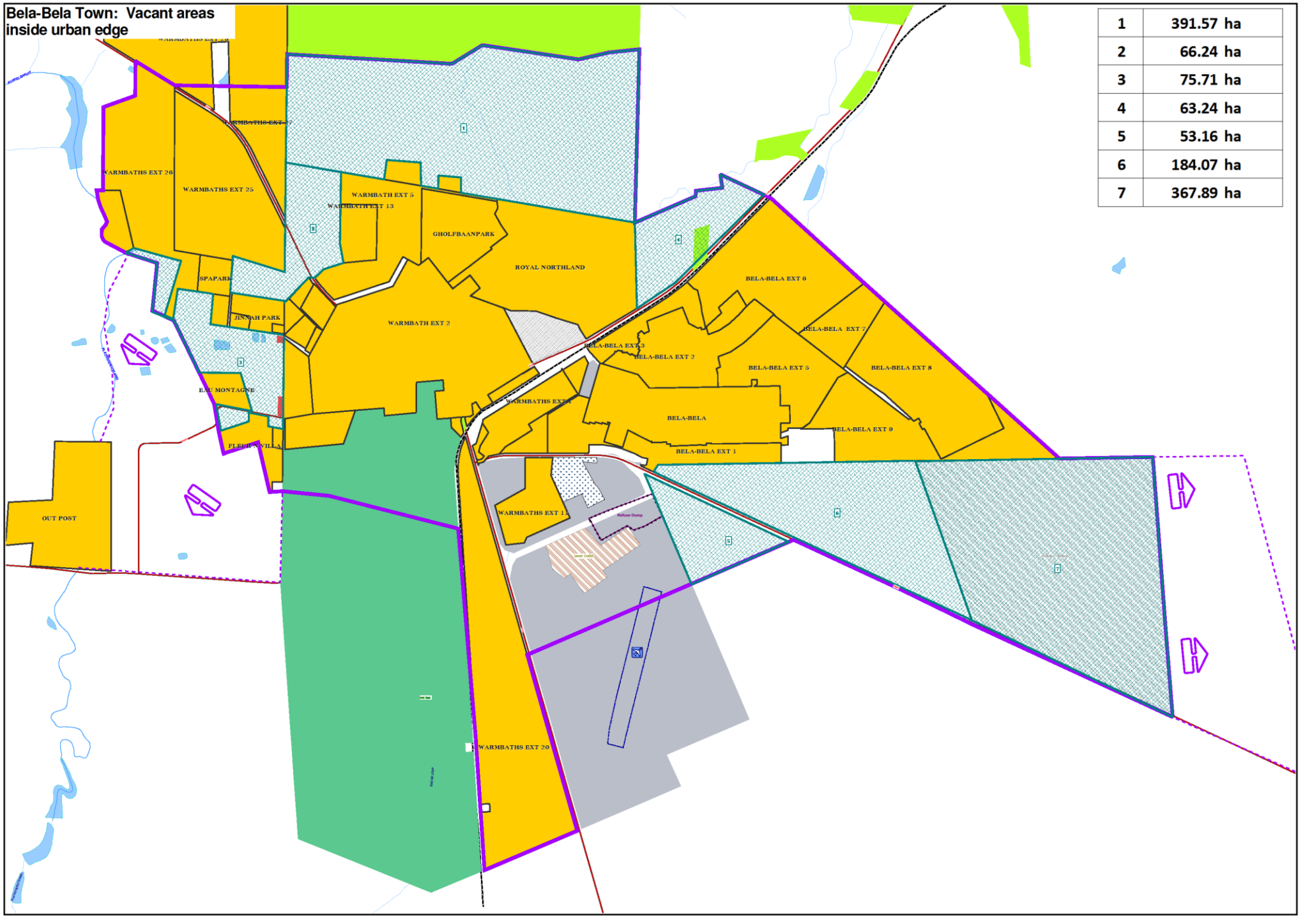
4.4.5. INFORMAL SETTLEMENTS

NO	SETTLEMENT	ESTIMATE NO. OF HOUSEHOLDS	COMMENTS
1	JACOB ZUMA	600	The area is not habitable due to flood lines challenges. To be relocated and accommodated at Ext 9
2	BELA BELA EXT 9	600	To be formalised at Ext 9.
3	SPA PARK(Pr)opposed Warmbath Extension 25)	252	To be formalised at proposed Extensions of Spa Park (Portions of the farm Roodepoort) being earmarked for purchase by the Dept.(DLGH).
4	VINGERKRAAL	250	The area has no enough water sources to sustain a formal township and this has been confirmed by specialist studies. To be relocated to proposed Extension 1 at Masakhane / Radium and other Areas within the Municipality(proposed Extensions at Spa Park).
5	EERSBEWOON/Tsakane	80	The area is too small and isolated to warrant formalization, and may not be sustainable in terms of Spatial Planning principles. To be relocated to other Townships Extensions within Bela Bela
6	MASAKHANE	50	T o be formalised at Masakhane or other areas within the municipality
7	RAPOTOKWANE	30	To be formalised at the present location in Rapotokwane.

4.4.6. STRATEGICALLY LOCATED LAND OWNED BY THE MUNICIPALITY (WITHIN THE URBAN EDGE AND ADJACENT TO EXISTING SETTLEMENT)

NO	Property Description/ERF	SUBSIDY PROGRAMME	SIZE	COMMENTS/REMARKS
1	ERF 1067 WARMBARTH EXT 5 (Park)	URBAN	2.6239 HA	Council resolved on the development of the area for Housing as part of the then Proposed ABSA/ DLGH project.
2	REMAINDER OF PORTION 25 OF HATBAD 465KR(pieces of land along Alma Road)	URBAN	42HA	Council resolved on the development of the area for Housing as part of the then Proposed ABSA/ DLGH project. Part of the area is not developable due to rocky outcrops.
3	REMAINDER OF 655 WARMBATHS	URBAN	13HA	Council resolved on the development of the area for middle income, and it is located closer to the CBD. Potential BNG project.
4	REMAINDER OF WILGEGEND 17JR (MASAKHANE)	URBAN	197Ha of which over 100 ha is still undeveloped/planned and may be available for future development.	The land has been transferred to Bela Bela Municipality

MAP 5: IDENTIFIED VACANT LAND



4.5. HOUSING DEVELOPMENT AND DELIVERY WITHIN BELA BELA MUNICIPAL AREA

During the year under review the Municipality in collaboration with the Department of Local Government and Housing (DLGH) engaged in the RDP project to built **100 RDP** houses at Rapotokwane. At the end of the financial year, that is, at the end of June 2011, all 100 units were completed.

The Department of Local Government and Housing also appointed contractors to construct another 100 RDP units, being 50 units at Rapotokwane while another 50 units were allocated for unblocking of the blocked projects at Leseding and Hostelview. At the end of the financial year the contractors had already started with the project.

The Municipality together with DLGH also facilitated the issuing of **title deeds** through the Enhanced Extended Discount Benefit Scheme(EEDBS), on properties that were allocated to individuals but were not given full ownership. This included properties that were acquired prior to 1994. The DLGH also assisted with the facilitation of lost copies of title deeds which were destroyed through fire during 2005. At the end of the financial year about **344 title** deeds were issued by the Registrar of Deeds to DLGH for residents of Bela-Bela Municipality. 326 title deeds were for lost copies while 16 were for new registration through the EEDBS. Acquisition of title deeds will go a long way in ensuring security of tenure to those people who occupied and stayed in government houses and stands without title deeds or any form of recognised form of ownership.

The municipality was also able to alienate 95 residential sites for middle income residents within Bela-Bela, which will to a greater extent help alleviating backlog in housing for these income brackets, especially those that are above RDP but they are also not able to afford the excessively expensive sites in the private market.

The right to adequate housing is enshrined in the Constitution (Act 108 of 1996) and it states that everyone has the right to have access to adequate housing and that the state must take reasonable legislative and other measures within its available resources to achieve the progressive realization of this right.

4.5.1. CURRENT HOUSING NEEDS, DEMAND AND PROVISION

The estimated housing backlog within Bela Bela is currently 2700. This figure is based on the Municipal Housing Plan (2008) and waiting list which indicated that 1 100 households are residing within the informal settlements, 1 000HH resides on backyard units within Bela Bela Town and Township and 400 for the middle (Gap Market) earners. The Department of Local Government and Housing in partnership with Bela Bela Local Municipality are currently playing an important role in terms of housing provision for the low – income group who earn between R0 – R 3 500 pm. The current housing project that is targeting to address housing backlogs for the people within this income category is Bela Bela Township Ext. 8 which comprises of 900 Units (i.e. 750 RDP + 150 Bonded). The rest of the projects that are still at the proposal stage include the following:-

- Bela Bela Township Ext. 9 – 900 Units (800 RDP + 100 Bonded)
- Airstrip Area (Town) – Social Housing
- Spa Park (PTN 4 of Roodepoort 467 KR) – 200 RDP Units
- Spa Park North (Town) – 300 Bonded Units (middle income)

- North of Alma Road (Town) – (Middle/ Upper Income)
- Radium/ Masakhane Ext 1 – 150 Unit
- Lebogang Rural Village (Farm Tweefontein 452 – KR) – 50 Units

The 2008/ 09 IDP noted that the need for the provision of housing to the middle income group (i.e. especially those who fall within the income category ranging from R 3 501 – R7000 pm) is also critically important since it was noted that there are individuals who fall on this category and are registered on the municipal housing waiting list since they requires assistance with regards to accessing shelter. The need for middle income housing may also be exacerbated by the fact that housing development that is driven by the private developers is mainly accessible and affordable to the upper income earners i.e. the minimum value for the houses provided by the private developers is in many instances more than R 500 000.

As noted from the proposed priority projects above, the municipality is intending to address the housing backlog for both low income and middle income earners. The total number of units proposed is 3 050 which would fully eradicate the housing backlogs. The majority (7) of these projects are proposed on the municipal owned land except Spa Park (North of Alma Road) and Lebogang Rural Village.

4.5.1.1. HOUSING BACKLOG: POPULATION INCREASE – ADDITIONAL HOUSES NEEDED – HIGH GROWTH SCENARIO

AREA	**Estimated Population increase between 2010 and 2015**	**Houses needed**	**Estimated Population increase between 2015 and 2020**	**Houses needed**	**Estimated Population increase between 2020 and 2025**	**Houses needed**	**Estimated Population increase between 2025 and 2030**	**Houses needed**	**Total Houses Needed**
Urban Areas	3310	847	3165	809	2993	765	2783	712	3133
Rural Areas	1598	409	1369	350	1329	340	1254	321	1419
Pienaarsrivier	125	32	107	27	104	27	120	31	117
Total	**5033**	**1287**	**4641**	**1187**	**4426**	**1132**	**4157**	**1063**	**4669**

Source: Bela Bela SDF, 2011

4.5.1.2. Housing Need per Income Group

Income Group	Total HH per income group 2010				Additional Housing Need per income group up to 2030			
	Urban (Bela Bela Town)		Rural		Urban (Bela Bela Town)		Rural	
	Nr of HH	%	Nr of HH	%	Nr of HH	%	Nr of HH	%
Subsidized	6816	72.52	4415	81.25	2272	72.52	1248	81.25
Low	1343	14.29	569	10.47	448	14.29	161	10.47
Low/Middle and Middle	1156	12.30	379	6.97	385	12.30	107	6.97
High	84	0.89	71	1.31	28	0.89	20	1.31
Total	**9399**	**100**	**5434**	**100**	**3133**	**100**	**1536**	**100**

Source: Bela Bela SDF, 2011

It is estimated that approximately 81% of house that will be needed in the rural areas of Bela Bela Municipality will be for subsidized housing. Approximately 14% of the estimated additional housing need in urban areas will be for the low income group and 12% for low/middle and middle income group. In the rural areas approximately 11% of additional houses up to 2030 will fall into the low income group and 7% in the low/middle and middle income group.

4.5.1.3. Land earmarked for Residential Development

Area nr	Area (Ha)	Developable area (ha)	Nr of erven with average $600m^{2*2}$	Nr of erven with average of $800m^{2*2}$
1	391.57	254.52	4242	3182
2	66.24	43.06	718	538
3	75.71	49.21	820	615
6	184.07	119.65	1994	1496
7	367.89	239.13	6039*[1]	
Total	**1085.48**	**705.56**	**13813**	**11870**

Source: Bela Bela SDF, 2011. Notes*[1]: indicate the total number of erven planned for Bela Bela Ext 10. *[2]: the develoable area is regarded as only 65% of the total area, 35% is allowed for roads, etc.

4.5.2. PRINCIPLES ON SUSTAINABLE HUMAN SETTLEMENTS (SHS)

The notion of sustainable human settlement (SHS) refers to an integrated approach to housing provision for the residents of Bela Bela (especially those who are classified as the low income group). At the concept level the requirements of sustainable human settlement are precise and unambiguous in terms of the level in which housing should be provided for the residents within the Bela Bela area and these can be briefly summarized as follows:-

- The focus on the provision of housing should not only be on *housing delivery* but also on *housing development* with a greater positive impact for the residents to be able to sustain their livelihood within that particular locality. This implies that the future housing delivery and development that takes place within Bela Bela should be incorporated within the vicinity of social facilities and economic opportunities to make it easier for the community to easily commute in order to obtain the services and employment opportunities. This requirement is intended to address the legacies of the past whereby individuals (especially the less privileged) were subjected to poor living conditions with the serious lack of amenities to sustain their livelihoods within those settlements.
- The provision of housing should be an integrated approach to development using the delivery of shelter as a primary focus but including amongst other things basic service delivery (i.e. potable water, appropriate sanitation and access to electricity), obtaining or upgrading of land tenure rights, ease access to adjacent community and economic services, job creation plus skill transfer (i.e. during construction stages) and the outcomes should also build self esteem by the end users.

Housing delivery and development within Bela Bela occurs in two different forms. The first regards the state funded, low cost housing in which the Department of Local Government and Housing serves as the developer. The second pertains to private sector developments targeting mainly the upper income groups. Bela Bela Spatial Development Framework (*adopted in 2006*) should be the pillar in terms of informing the realization of sustainable human settlements through the implementation of these housing projects.

In line with the SDF the municipality has embarked on facilitating housing delivery within the areas that are earmarked for opportunity for future housing within the SDF growth nodal points (i.e. Bela Bela Town, Pienaarsriver and Radium) and these areas are within the urban fabric plus housing delivery is integrated to the delivery of services and reasonable proximity to the adjacent social and economic opportunities. There has been challenges in terms of achieving all the expectations by the sustainable human settlement concept in the past to such an extent that the concern was raised especially for housing delivery within Bela Bela Town (Main Growth Point) that the majority of these low cost housing projects still focus on extending the black townships which now perpetuate disintegration by income groups while in the apartheid era disintegration was perpetuated through racial segregation.

Despite these challenges which includes the limited availability of land within the existing central business district (CBD) and financial viability (i.e. high cost of land within the CBD) which might be a substantial sacrifice to achieve the low cost housing there, the municipality is however aiming to achieving

this through creative ways such as through residential densification within the few vacant patches of land parcels that are located within the CBD and are considered by the SDF to be ideal for future housing development.

4.6. CHALLENGES:

Priority	Ward number (Area in the ward)	Challenges/Issues
Land, Housing & Infrastructure	Ward 1 (Informal Settlement) Ward 2 (appro. 400 people in the ward) Ward 4 (Ext 7 & 8 – appro. 150 people) Ward 5 (Ext 1) Ward 6 (appro. 200 people in the ward) Ward 8 (Rapotokwane)	High number of people with RDP housing needs.
	Ward 2 (old location) Ward 5 (Ext 1)	Orphans and aged are not considered for emergency housing project
	Ward 3 (all sections in the ward particularly housing) Ward 7 (Ext 6 - school) Ward 8 (Rapotokwane – business land)	No land for development
	Ward 1 (2) Ward 4 (1) Ward 6 (1) Ward 7 (1) Ward 9 (1)	Illegal occupation of land (Informal Settlements)

	Ward 1 (all sections in the ward except informal settlement)	Provision of middle income housing or empty stands is limited
	Ward 3 (all sections in the ward)	Poor quality of RDP houses
	Ward 3 (all sections in the ward) Ward 4 (Ext 7 & 8)	Illegal occupation of RDP houses
	Ward 3 (all sections in the ward)	Shortage of agricultural land
	Ward 9 (Masakhane)	Formalisation of informal settlements
	Ward 3 (all sections in the ward)	RDP Houses waiting list takes long time.

5. SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT

Why this KPA? *The lack of municipal infrastructure is regarded as a critical impediment to ensuring a dignified quality of life for the majority of the population within Bela Bela. Especially critical is the situation with regard to water, sanitation, housing, roads and stormwater.*

5.1. FREE BASIC SERVICES: WATER, SANITATION, ENERGY AND REFUSE REMOVAL

The municipality has an indigent policy in place and the households that qualify to be registered as the indigents must have income of R0 –to– R 1 500 per month. The policy is currently benefiting 3046 households. This figure (3046HH) is substantially higher than the demographic quantification (1 534HH) and this indicates that the poverty levels on the ground are more than what has been projected.

The number of households who are subsidised by the free basic services can be indicated as follows:-

MONTH 2010/2011	WATER		REFUSE		RATES		ELECTRICITY		SEWERAGE		PREPAID ELECTRICITY		TOTAL	
	no		**no**		**no**		**no**		**no**		**no**		**no**	
Jul-10	0	R 0.00	0	R 0.00	0	0.00	0	R 0.00	0	0		222151.95		**R 222 151.95**
Aug-10	3	R 69.35	4	R 159.60	4	233.74	1	R 159.60	4	135.96		222151.95	**16**	**R 758.25**
Sep-10	2070	R 69 971.37	6886	R 281 152.82	5662	256 028.69	34	R 7 701.29	6775	236553.69		222151.95	**21427**	**R 851 407.86**
Oct-10	2032	R 71 768.94	2285	R 93 278.17	1874	84 951.68	32	R 1 875.95	2246	78423.8		222151.95	**8469**	**R 330 298.54**
Nov-10	1725	R 59 587.58	2285	R 93 274.51	1875	85 282.38	22	R 1 252.18	2248	78485.7		222151.95	**8155**	**R 317 882.35**
Dec-10	1504	R 52 217.19	2292	R 93 578.92	1880	85 448.92	23	R 1 225.49	2258	78846.47		222151.95	**7957**	**R 311 316.99**
Jan-11	1531	R 48 647.77	2290	R 93 244.10	1879	85 093.96	25	R 1 346.45	2258	78602.33		R 313 283.20	**7983**	**R 306 934.61**
Feb-11	2080	R 72 828.02	2780	R 113 425.29	2168	96 476.01	16	R 870.76	2739	95604.37		R 313 283.20	**9783**	**R 379 204.45**

Mar-11	2165	R 72 977.15	2774	R 113 173.22	2163	96 711.65	20	R 1 134.96	2734	95423.52		R 313 283.20	**9856**	**R 379 420.50**
Apr-11	2081	R 72 563.09	2775	R 113 212.96	2138	94 994.71	19	R 1 126.90	2736	95488.09		R 313 283.20	**9749**	**R 377 385.75**
MAY – 11	2238	R 71 382.83	2793	R 113 985.17	2157	95 267.76	22	R 1 315.44	2754	96159.84	2437	253813.55	**9964**	**R 378 111.04**
JUNE - 11	2427	R 79 617.50	2806	R 114 504.26	2169	95 615.54	25	R 1 546.15	2766	96567.24	2437	253813.55	**10193**	**R 387 850.69**
Total		**R 520 630.46**		**R 994 499.59**		**885 221.74**		**R 16 693.58**		**837563.93**		**2586044.5**		**R 4 242 722.98**

WARDS	**No Indigents on Financial System July 2010-APRIL 2011**	**No Indigents pending from prev months**	**New Applications Received**	**No of Applications declined**	**No of Applications not verified**	**Applications not processed on FMS**	**No of Applicants removed from FMS**	**No of Applications pending**	**Total Indigents on financial system as at end MAY 2011**
Ward 1	253	0	0	0	0			0	253
Ward 2	263	21	0	0	0			0	263
Ward 3	583	20	0	0	0			0	600
Ward 4	261	21	0	0	0			0	261
Ward 5	347	42	0	0	0			0	347
Ward 6	515	41	0	0	0			0	515
Ward 7	558	36	0	0	0			0	558
Ward 8	266	6	0	0	0			0	266
TOTAL	3046	187	0	0	0	0		0	3063

Source: Bela Bela Municipality, 2011. ***NB: Please note that the above table reflects information as per old ward boundaries.***

The Department of Water Affairs and Forestry (DWAF) in the Community Water Supply and Sanitation (CWSS) Strategic Study states that **the need for water is measured in the number of people who do not comply with the standards** referred to in the White Paper on Water Supply and Sanitation. These standards are referred to as the RDP level and for the purposes of water supply the following 5 criteria define the minimum RDP level, viz.:

- **Quality:** 4 water quality classes to qualify the portability of water (e.g. classes 0 and 1 are ideal, class 2 is for short term use only and class 3 is unacceptable for domestic use);
- **Quantity:** a minimum quantity of 25 litres per person per day;
- **Distance:** water must be within a distance of 200m from the dwelling/house;
- **Reliability:** access to the water resource for at least 98% of the time (1 in 50 year resource reliability); and
- **Flow:** the availability or flow of water at a communal tap should at least be equal to 10 litres per minute.

The sanitation types that are below the minimum RDP level are pits or none. The sanitation types that satisfy the minimum RDP level include the following, viz.:

- Ventilated improved pits [VIP];
- Double ventilated improved pits [DVIP];
- Digesters;
- French drains;
- Suction tanks;
- Small water-borne; and
- Full water-borne.

5.2 WATER SUPPLY

Water is life – it is the most important resource to encourage both social and economic development within communities. It is on this basis that water provision tops the list of community lists/needs during consultation meetings. The municipality, together with DWAF, have done exceptionally well in this area.

BLUE & GREEN DROP CERTIFICATION

Drinking Water Quality was placed squarely under the spotlight with the introduction of the Blue Drop Certification Programme, ensuring that municipalities and water service providers are held accountable to provide tap water of safe quality to its constituencies.

BLUE DROP		GREEN DROP
2010	2011	2010/11
61.4%	71.01%	16.9%

TABLE 6: ACCESS TO WATER, 2001 vs 2007

Total no. of HH		Piped water inside the yard		Piped water from access point outside the yard		Piped water inside the dwelling		No access to piped water		N/A & Other	
2001	**2007**	**2001**	**2007**	**2001**	**2007**	**2001**	**2007**	**2001**	**2007**	**2001**	**2007**
12336	14293	7375	2462	1544	1078	3004	8911	275	1425	138	417

Source: Census 2001 & Community Survey 2007

From Table 6 above, it is evident that the number of households in Bela Bela Municipality has increased by 1957 households since 2001. However, the number of households with piped water inside their dwellings has decreased from 737 5in 2001 to 2462 in 2007. The accessibility to water from access point outside the yard has also decreased from 1544 in 2001 to 1078 in 2007. It is still important for the Bela Bela Municipality to encourage communities to harvest rainwater for household usage. This is very critical due to the fact that Bela Bela Municipality is water scarce.

It can be reported that 100% (14 290HH) of Bela Bela households do have access water with effect from 2008 since water supply was expanded to the informal settlements within that period. This then means that there are no households within Bela – Bela that make use of other water sources (including Dam/ Pool, Water Vendor and Water Rain Tanker). It can however be noted that the provision of water to the informal settlements is only a temporally

solution, the permanent arrangement to address the water supply needs by the community is to move the informally settled households to the new housing projects which are more suitable for human habitation. The annual target for 2010/11 Financial year was to purify 244 mega litres of raw water. The municipality was able to supply reliable water to consumers.

5.2.1. WATER SOURCES

SOURCE	SURFACE WATER	GROUNDWATER
	• Magalies-801Ml/y(32%) • Warmbaths dam- 1584Ml/y(63%) • Boreholes- 120 Ml/y(5%)	Four boreholes at Rapotokwane and Vingerskraal

5.3. PROVISION OF SANITATION FACILITIES, 2001 vs 2007

Sanitation is about dignity. The availability of sanitation facilities not only improves the dignity of people, but also promotes their health. Areas without proper sanitation systems give rise to water borne diseases like cholera, diarrhea, typhoid, etc. it is therefore important that as a municipality, prioritization should be given to this service, particularly taking into account the backlog (rural sanitation) and the national target.

TABLE 7: PROVISION OF SANITATION FACILITIES, 2001 vs 2007

Total no. of HH		Flush toilet (connected to sewerage system)		Flush toilet (with septic tank)		Dry toilet facility		Pit toilet with ventilation (VIP)		Pit toilet without ventilation		Chemical toilet		Bucket toilet system		None	
2001	2007	2001	2007	2001	2007	2001	2007	2001	2007	2001	2007	2001	2007	2001	2007	2001	2007
12336	14293	8611	10939	390	524	1853	92	274	56	1853	1835	90	25	204	0	916	820

Source: Census 2001 & Community Survey 2007

In terms of sanitation, Table 7 indicates that 13 574HH of Bela Bela household have access to sanitation at the appropriate standard. The remaining 715HH do not currently have the appropriate sanitation facilities. The backlog as estimated by the municipality is approximately 615 households which do not have access to the sanitation facilities at the appropriate standard. The annual target for 2010/11 financial year was to complete the construction of 685 pre fabricated VIP toilets structures in Rapotokwane. 685 VIP Toilets were constructed.

TABLE 8: ENERGY SOURCE FOR LIGHTING, 2001 vs 2007

Total no. of HH		Electricity		Gas		Paraffin		Candles		Solar		Other	
2001	2007	2001	2007	2001	2007	2001	2007	2001	2007	2001	2007	2001	2007
12336	14293	8879	11308	17	0	232	409	3144	2550	24	0	38	24

Source: Census 2001 & Community Survey 2007

According to Table 8 above, approximately 79% (11 289HH) of Bela Bela households have access to electrical services at the appropriate standard. Even though this census (2007) data reflect a backlog of 21% (3 000HH), the records from the municipality indicates that the actual backlog is currently estimated at 918HH who mainly in the informal settlements. The annual target for 2010/11 financial year was to electrify 332 houses in Ext 8 and 50 in Rapotokwane. However, taking into account the electricity shortage facing the country, as well as the principles of sustainable development, it is important for the municipality to develop its Energy/Electricity Plan. This plan would explore various energy sources to be used/developed. The plan should, among others, ensure that the physical environment is protected for future generations. The development of an Energy/Electricity Plan that considers renewable and non-renewable energy sources is therefore very critical.

5.3. SOLID WASTE MANAGEMENT – Refuse Removal

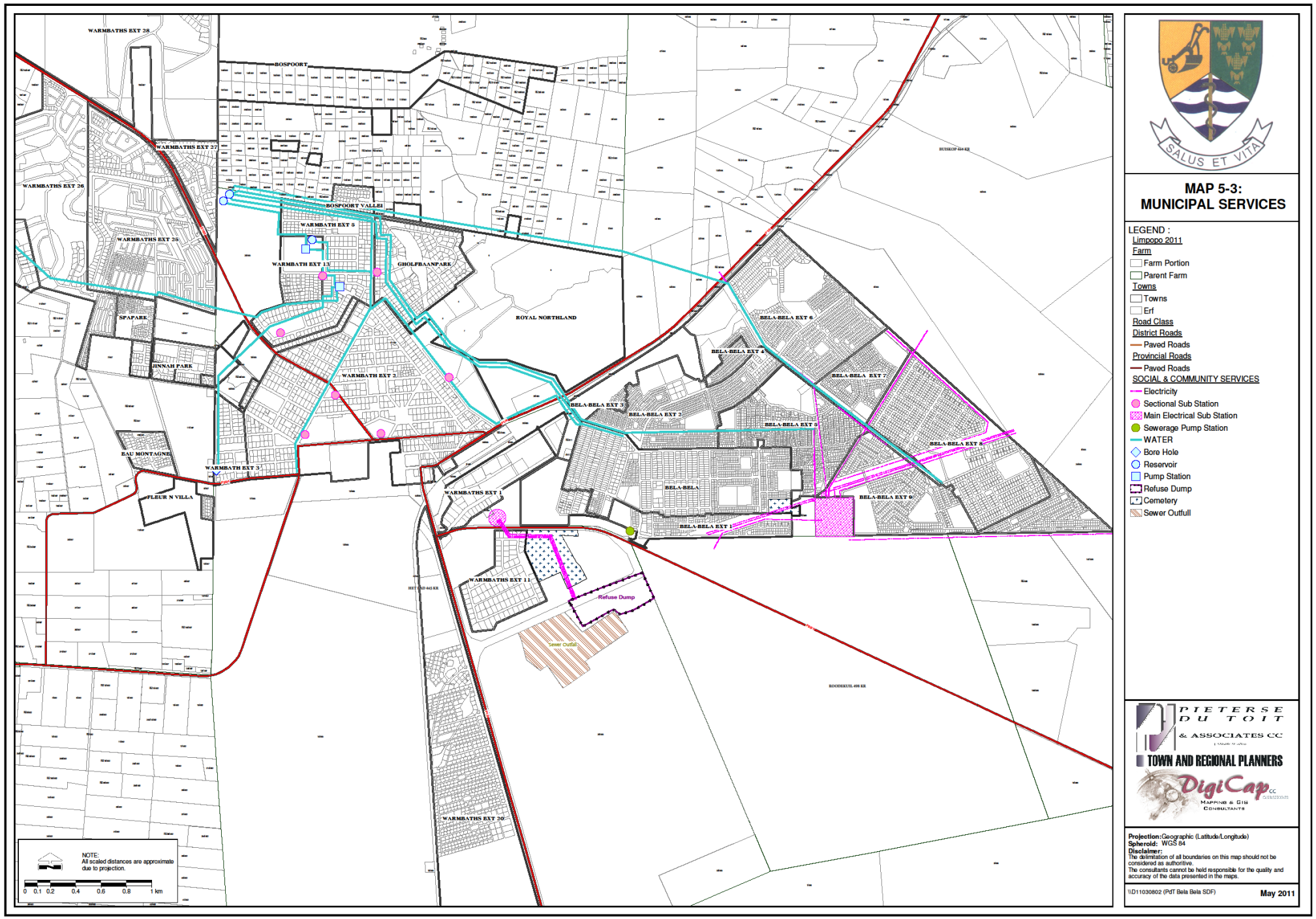
Table 9 indicates that approximately 96% (13 718HH) of Bela Bela households use the appropriate means in terms of refuse removal such that 77% of the households refuse is removed by the municipality and 19% use their own refuse dump. Approximately 4% (571HH) are considered to have no refuse removal. Based on the municipal information the households that encounter the backlog are estimated at approximately 1000HH.

TABLE 9: REFUSE & DISPOSAL, 2001 vs 2007

Total no. of HH		Removed by local authority/private company at least once a week		Removed by local authority/private company at less often		Communal Refuse Dump		Own Refuse Dump		No Rubbish Disposal		Other	
2001	2007	2001	2007	2001	2007	2001	2007	2001	2007	2001	2007	2001	2007
12336	14293	8380	10883	72	112	129	73	3098	2645	654	554	3	24
NUMBER OF LAND FILL SITES							**PERMITTED SITES**						
3 (2 are illegal)							1						

Source: Census 2001 & Community Survey 2007

MAP 6: MUNICIPAL SERVICES



5.4. MOVEMENT PATTERN AND ROAD INFRASTRUCTURE

5.4.1. TRANSPORT

Car ownership within the Bela Bela Municipal area is low and commuters on public transportation. Even though most of people walk to/from work, mobility of communities is a serious concern. Bela Bela municipality has **13 total number of taxi routes** within one formal taxi rank in town.

Roads Agency Limpopo (RAL) is the institution responsible for provincial and district roads. Bela Bela Local Municipality is responsible for local roads. The information provided in this document is to assist the municipality to confirm the need for road upgrading and ultimately identify projects required to address the backlog/needs.

The roads play a pivotal role in terms of economic development such that all major economic developments are located along the roads of strategic importance and thus they provide a key link between consumers and suppliers as well as between components parts manufactured and finished product manufactures. The road hierarchy within Bela Bela can be classified in four categories and it is through this hierarchy that one can be able to rank the strategic importance of the roads as well as their impact on the economy. This identification of roads that are of strategic importance should ultimately inform the level of commitment that local and provincial government should have in terms allocating the budget in order meet the infrastructure needs for these roads since this is in line with the government mandate of creating an enabling environment for economic development. The road hierarchy within Bela Bela can be broadly classified as follows:-

- Principal Trunk Distributors – the national (N1) route is the most dominant road within the municipal area. It can be considered as the principal distributor in terms of the volume of traffic it carries and linkages that Bela Bela has with bigger cities (i.e. Gauteng, Polokwane) due to its existence. The N1 route is in a relatively good condition. The National Department of Transport is a responsible for managing and maintaining this route.
- Major Arterial Distributors – these include P1/ 4 (R101) which is mainly used by tourist and it link Bela Bela with Modimolle, Radium, Pienaarsriver and Gauteng; P20/ 1 links Bela Bela with Thabazimbi; and P85/ 1 (R516) which link the town of Bela Bela with Settlers. These routes provide linkages between the economic growth points within the municipality as well as to other economic growth points that fall out of the municipal jurisdiction. A major concern can be noted with regards to the condition (very bad) of these major arterial routes which include parts of P85/ 1 (R516), P1/ 4 (R101) and P20/1. These routes are managed by Provincial (Limpopo) Department of Roads and Transport.
- District Distributor Routes – these include D936 which links with P85/ 1 (R 516) from Codrington to Settlers, D626 which links Piernaarsriver and Rust de Winter Dam to Rapotokwane. These routes provide linkages between the emerging growth points. The major concern was raised regarding the condition of D626 route which link Rapotokwane to Rust De Winter and other villages within Mpumalanga Province. Some of these routes are managed by the Provincial (Limpopo) Department of Roads and Transport while the rest are managed by Waterberg District Municipality.

- Local Access Routes (i.e. often referred to as the internal roads) – are the lowest order of small access roads that provide direct access to the settlements and properties within the municipal area. The majority of these roads are a competency of Bela Bela Local Municipality in terms of maintenance and upgrade. The state of the local access roads (internal roads) that require attention of the municipality due to poor condition can be highlighted as follows:-

Table 10: State of Bela Bela Municipal Roads (2011)

Settlement	*Length (km)*		*Type of Upgrading*
	Total Road Length	**Length Requiring Upgrading**	
Bela Bela Town	30km	20km	**Resealing**
Bela Bela Township	38km	12.8km	**Upgrading, Tarring and Paving**
Radium (Masakhane)	4,3km	4,3km	**Tarring, Paving and Regravelling**
Pienaarsriver	6,4km	6,4km	**Paving and Tarring**
Rapotokwane (KwaLitho)	19km	17km	**Tarring, Paving and Regravelling**
Total	**97,7km**	**60,5km**	

In terms of storm water drainage, there are four parts of Bela – Bela Township which were developed without sufficient infrastructure for stormwater drainage and this prone these areas to the excessive water surface run – off or even flooding during the heavy rains. These areas are Bela Bela Township Extension 2 ("Leseding"), 5 (Mandela Village), 6 and 7. These areas accommodate approximately 23% [3 343HH (i.e. Ext. 2 = 836HH, Ext. 5 = 1098HH, Ext. 6 = 1084HH and Ext. 7 = 325HH)] of the total population within Bela – Bela. The municipality should also ensure that the future settlements (i.e. Bela Bela Extension 9) are well provided with sufficient stormwater infrastructure at the early stages to avoid future backlogs occurrence. The annual target for 2010/11 financial year was to:

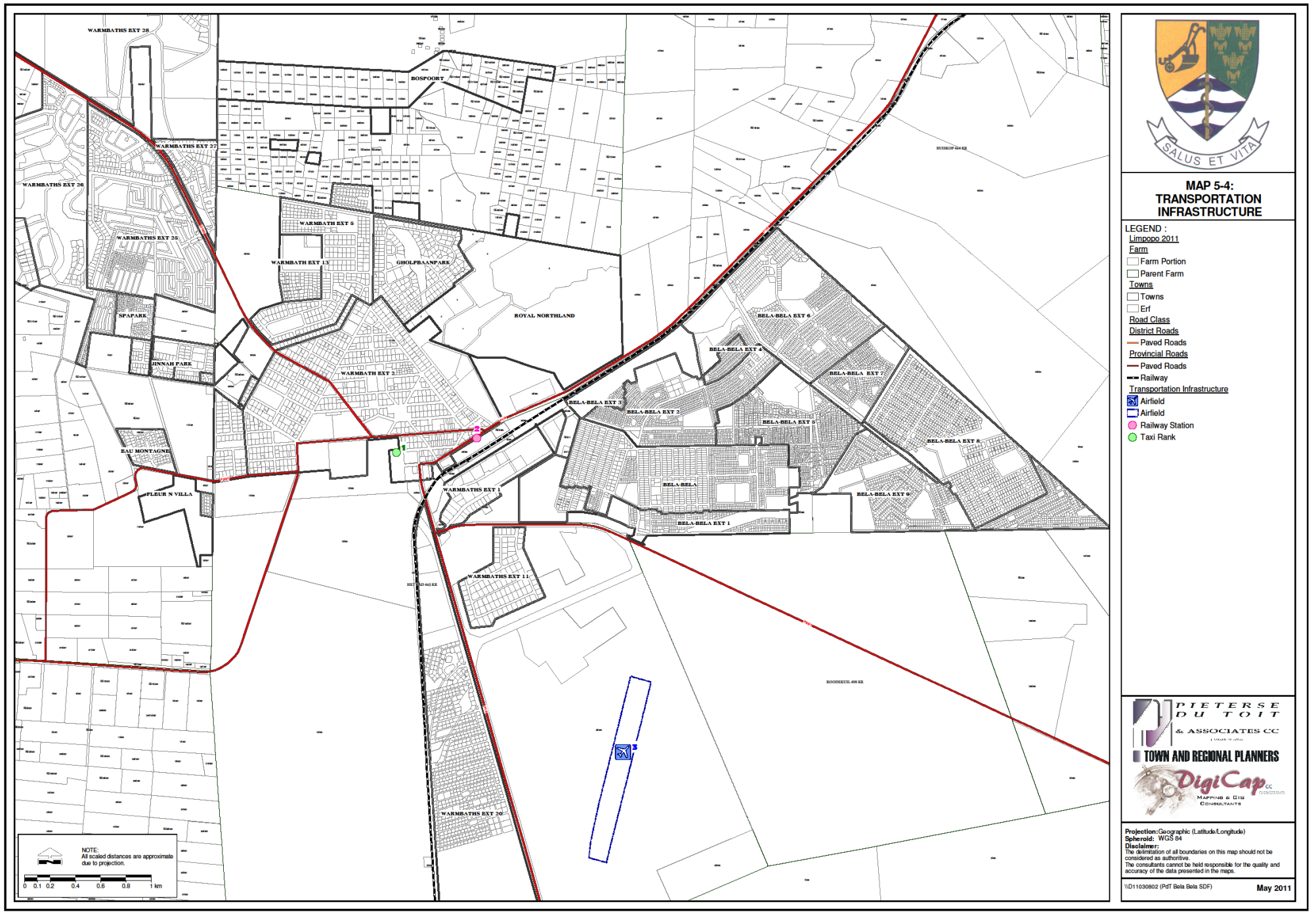
- Graveled and graded 3km internal roads in Bela Bela
- Constructed 2.1 km of streets in Bela Bela X1 and X6
- Paved 500m of access road in Masakhane
- A total of 12.2 km of access roads were re-graveled at Ext 5, Ext 8 and Leseding

The need for increased and drastically improved public transport across all income groups have been emphasized at the National Level. The function of Public Transport is currently residing with the District Municipality rather than Bela – Bela Local Municipality, however the municipality still have a role to

play in this regard particularly around the aligning ensuring that the District Transport Plan is compatible with Spatial Planning of Bela Bela such that integrated planning is required whereby public transport corridors will be planned along areas demarcated for serious intensification and densification.

The addition to that there is a need for a pedestrian friendly environment especially in town since the majority of the residents walk by foot within the Central Business District (CBD).

MAP 7: TRANSPORTATION INFRASTRUCTURE



5.4.2. BACKLOGS IN THE DELIVERY OF BASIC INFRASTRUCTURE: ROADS, ELECTRICITY AND SANITATION

The infrastructure issues which was raised during the 2011/12 IDP review was that the condition of roads and stormwater drainage within major settlement areas (Bela Bela Town and Township, Radium, Pienaarsriver and Rapotokwane) are considered to be in a very bad condition and needs to be improved. The length of these roads accounted for approximately 60.5 kilometers. The additional infrastructure backlog issues that has been identified during the 2010/ 11 analysis phase is the lack of access to electricity by some of the households within Rapotokwane and informal settlements (i.e. *"JZ"* and *Tsakani*). The total energy backlogs amounts to approximately 918 households.

The quality of drinking water provided through boreholes within Rapotokwane was also considered unsatisfactory since this water is salty in taste. The municipality was then requested to liaise with the Department of Water Affairs and Forrestry to improve the quality of the drinking water. Sanitation was not raised as a serious concern, nevertheless the municipality has a responsibility to eradicate the existing backlog which is estimated at approximately 615 households (Informal settlements). There are also major arterial routes (i.e. controlled by Dept. of Transport) which are in a very bad condition and these include P85/ 1 (R516), P1/ 4 (R101) and P20/ 1.

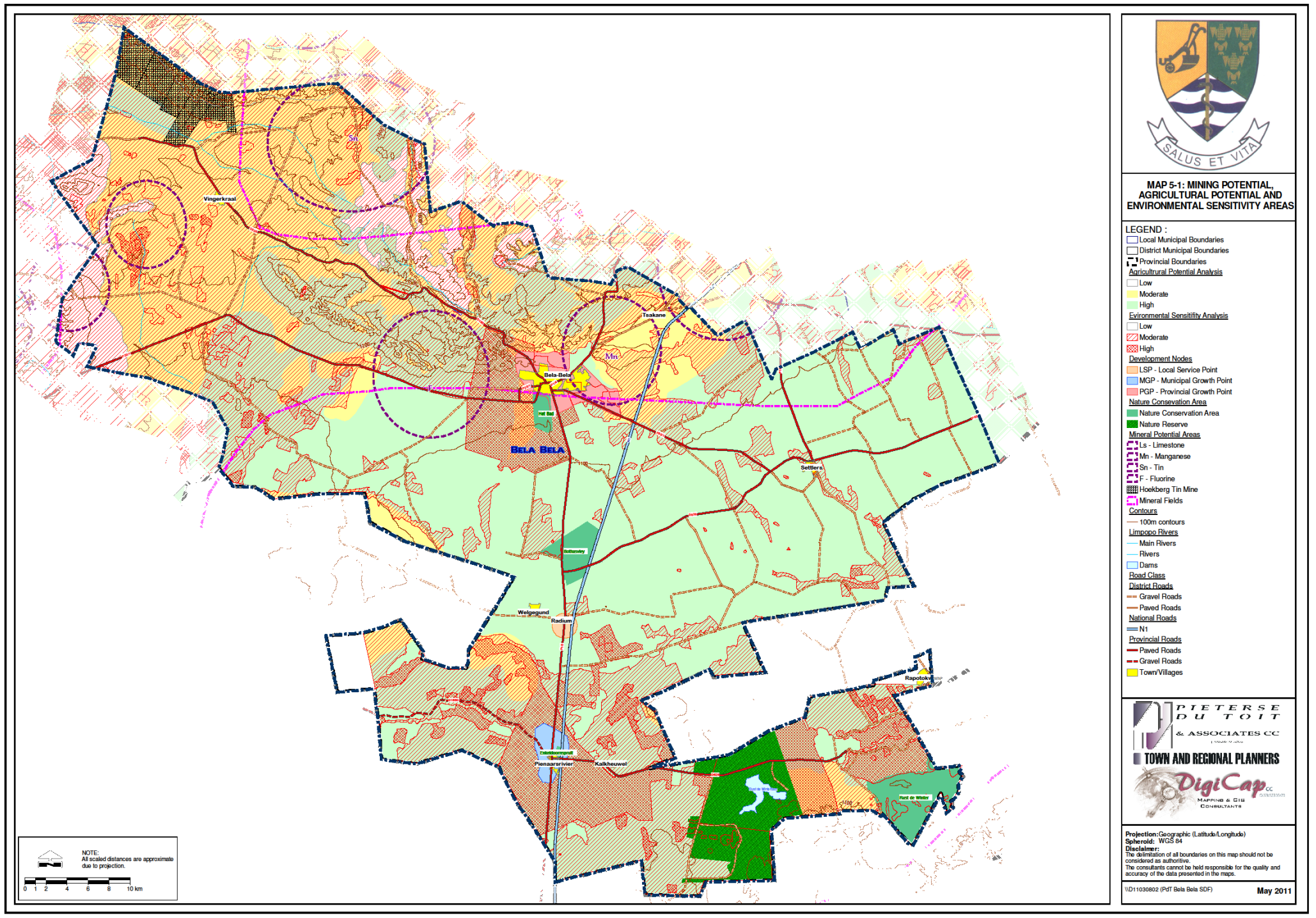
5.5. ENVIRONMENTAL MANAGEMENT AND MUNICIPAL HEALTH

5.5.1. ENVIRONMENTAL MANAGEMENT

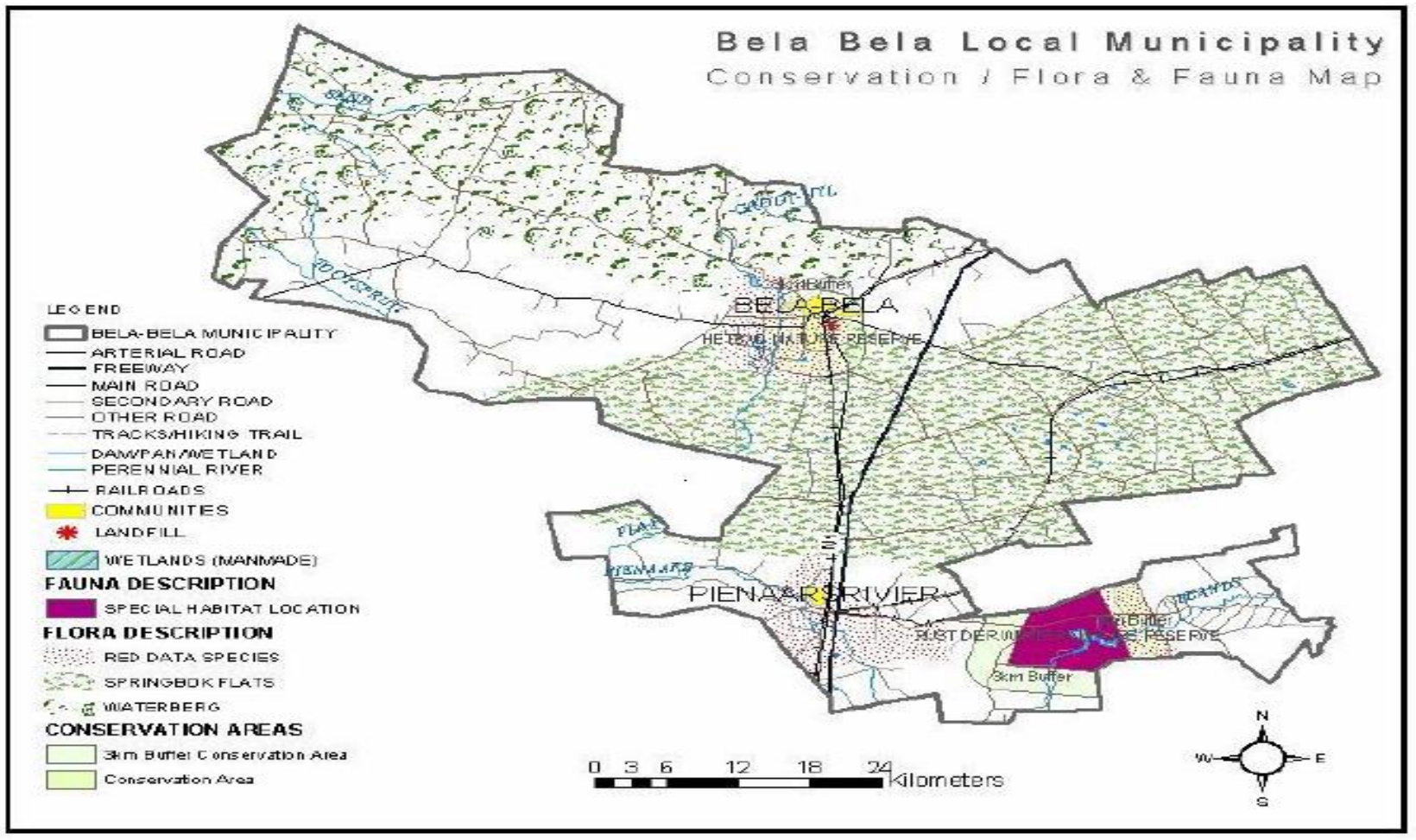
The National Environmental Management Act (NEMA) stipulates that environmental management must place people and their needs at the forefront, and serve their physical, psychological, developmental, cultural and social needs equitably. It is also required that development be socially, environmentally and economically sustainable. The challenge is therefore to regulate development in such a manner that the disturbance of eco-systems is avoided, or where this is not possible, the disturbance be minimized and remedied. The application of the Environmental Conservation Act since early 2000 ensures that all formal development is subjected to an environmental channel process, or Environmental Impact Assessment (EIA). A serious threat to the approach is that informal development is left to its own devices, with considerable implications in respect of pollution, deforestation, etc.

It is critically important that the sustainability of the environmental is mainstreamed within all the aspect of physical development within Bela Bela Municipal Area. As depicted on map 1 below, Bela Bela has a number of Nature Conservation Areas, these are the Rust de Winter Nature Reserve situated on the southern border which is ± 2 500 ha in extent, the Enkeldoornspoort Nature Conservation Area in the south-eastern corner of the Municipal Area, Mabula Game Reserve, Bonwa Phala Game Reserve, Kunkuru Game Reserve, Sondela Nature Reserve, Mabalingwe Game Reserve, the Bothasvley Nature Conservation Area adjacent to the N1 National Road between Bela-Bela and Pienaarsrivier and the Het Bad Nature Reserve in the central area of Bela-Bela Local Municipality. The whole of the western part of the Bela-Bela Local Municipal Area is classified as a Conservation area as well as the area directly surrounding the Bothasvley Nature Conservation

MAP 8: ENVIRONMENTAL SENSITIVE AREAS



MAP 9: CONSERVATION/ FLORA & FAUNA MAP

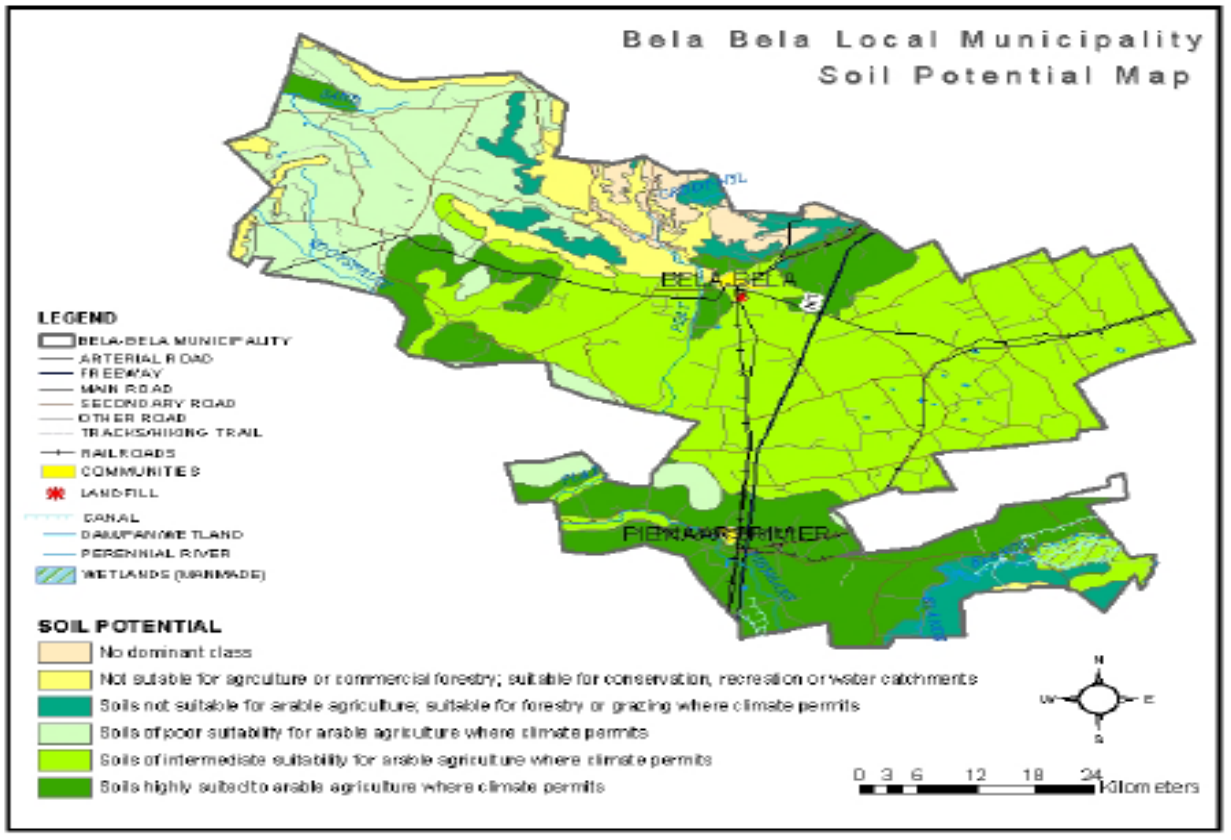


Source: Waterberg Environmental Management Plan (2006)

While Bela Bela is at an advantageous position in terms of the environment since there are no heavy industries and soil degradation and erosion is minimal, it is very important that the municipal ensures, with its available resources that the sensitive environments (as depicted on Map 9 above and wetland areas next to Bospoort and Klein Kariba River) are adequately protected in line with the requirements of environmental management as discussed above 2.1.3. The potential risks that can be highlighted as this stage include the poor management of landfill sites, inadequate sanitation systems, informal settlements, veld fires, chemical spills and/or other hazardous accidents, droughts and physical development that is not conducive for the sustainability of the sensitive environment. The adequate protection of high potential agricultural land (in terms of the soil classification) is also an important environmental element within Bela Bela given the pressure that the area is currently experiencing with due regards to the range of developments (i.e. upmarket estates and tourism

initiatives) that can compromise this potential. Map 10 below is an illustration of the different agricultural potential classification within the farmlands of Bela Bela.

MAP 10: AGRICULTURAL POTENTIAL WITHIN BELA BELA IN TERMS OF THE SOIL CLASSIFICATION



Source: Waterberg Environmental Management Plan (2006)

The above discussed issues are at the broad strategic level and it is important that the municipality considers these as a baseline when evaluating the credibility of the EIA's for the development of applications that are submitted on an on-going basis. At the project evaluation level, the municipality relies on the environmental impact assessment (EIA) as a tool for decision – making that entails a process of identifying, analysing and evaluating the positive and negative environmental affects of a proposed development and its alternatives. The municipality should also have an Environmental Management Plan that can address; vegetation, water, fuel and sewage treatment, with specific reference to the following:

- Waste management
  - Solid waste;
  - Litter; and

- Hazardous waste.

- Soil Management
  - Drainage;
  - Earthworks;
  - Quarries & Borrow Pits; and
  - Excavation, Spoil sites, Batching sites, and stockpiles.

- Impact and Mitigation measures
  - Noise and dust control;
  - Records; and
  - Restoration and Rehabilitation.

The additional Strength, Weakness, Opportunities and Threats (SWOT) can be summarized as follows:-

STRENGTH	WEAKNESSES
1. Bela-Bela Municipality is not an industrial area and the possibility of industrial effluent is minimal. 2. Financial resources to sustain refuse removal contracts. 3. More land available for development. 4. Safe and sustainable environment. 5. No soil degradation and erosion.	1. Lack of contingency plans for environmental protection for future developments. 2. Inability to implement by-laws that regulate waste disposals.
OPPORTUNITIES	**THREATS**
1. Collaboration with Phomolong waste management group. 2. Involvement of schools in waste and environmental awareness. 3. Collaboration with business to make available resources to deal with environmental control. 4. Formation of waste site committee(s) to regulate the safety of waste dumping site(s). 5. Establishment of waste sorting and recycling plant at a proposed site in Pienaarsrivier.	1. Lack of control at the dumping site which attracts human scavengers. 2. Risk of infection for people interacting with refuse at the dumping site. 3. Inappropriate waste disposal methods (which includes burning of waste and the disposal of medical waste in an irresponsible manner).

Bela-Bela Local Municipality has the responsibility to consider these legislation, principles and policies on environmental management where applications for land development are considered for implementation.

In line with section 1.6.1 of the draft heading: Environmental Management. NEMA is not the Act alone which deals with environmental management matters,Conservation of Agricultural Resources Act: Act 43 of 1983 (CARA) is one of the Acts enforced by the Department of Agriculture, Forestry and Fisheries that regulates that regulates the environmental issues by making provisions for the conservation of the natural agricultural resources of South Africa. The objectives of the Act are:

- Maintaince of the production potential of land
- Combating and prevention of erosion
- Prevention of weakening or destruction of the water sources
- Protection of vegetation and
- Combating of weeds and invader plants

Regulation 15 of the Acts makes provisions for control of weeds and invader plants as according to their categories,

category 1, 2, and 3

Category 1 are: plants that may not occur on any land or inland water surface other than in a biological control reserves

Category 2 are: plants that may not occur on any land or inland water surface other than a dermacated area or a biological control reserves

Category 3 are: plants that shall not occur on any land or inland water surface other than in a biological control reserves

Eucalyptus species (gum tree) a category 2 plant was identified by the Directorate: Land Use and Soil Management during 2007 on the municipal ground around Bela-Bela Dam.

The occurence of Eucalyptus should feature on the IDP as one of the identified projects as it poses threat to the Bela Bela environment. Plans to control the species should also be indicated in the IDP. One of the strategies can be to involve the Working for Water Programme that can assist in the species under control.

5.6. SPORTS, ARTS AND RECREATIONAL FACILITIES

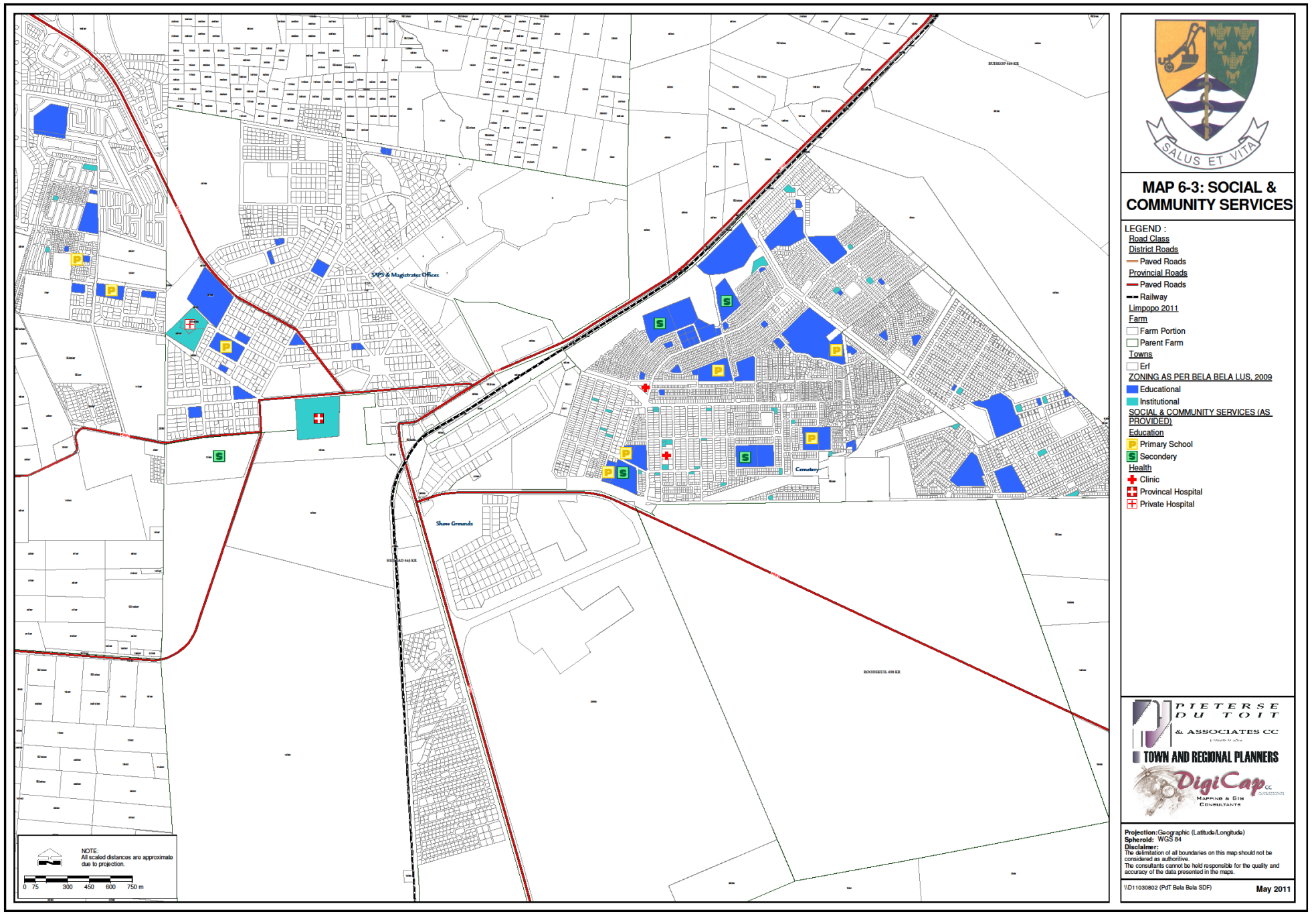
Sports and recreation facilities play a major role in the overall social development of the society such that these activities provide moral discipline and keep the youth out of the street. The ever – increasing crime and other social ills (i.e. teenage pregnancies, drug abuse etc.) gave rise to the importance of these activities and they should be viewed as the productive alternative that the youth can engage itself with. The existing facilities can be described as follows:-

Table 12: Availability of Sports, Arts, Culture and Recreational Facilities in Bela Bela

Location	*Facilities*	*Constraints and Challenges*
Bela Bela Township	• **Bela Bela Community Hall i.e. Performing Arts and Culture.** • **Sporting amenities i.e. Netball, Volleyball, Basket Ball and Tennis Court.** • **SUNFA "stadium"** • **Moloto Str "stadium"** • **Bela Bela High Stadium** • **Two Community Park** • **1 library**	• **The Hall is multi – functional because it is also booked for special events and it is not always readily available for sports, arts, culture and recreational activities.** • **The sporting amenities indicated on the column for facilities are the only sporting code facilities available at the municipal level and they is a lot of pressure they encounter due to overuse as a result the facilities are deteriorating very quickly.** • **The long distance travelled by individuals who stay in the remote parts of the township.** • **The condition on the football grounds (stadium) is not satisfactory. The parks do not have the ablution facilities and lights.**
Bela Bela Town	• **Jinnah Community Hall** • **Spa Park Hall** • **1 library**	• **Lack of sports Facilities**
Pienaarsriver	• **Community Hall/Park**	• **Lack of Facilities**
Masakhane	• **No facilities**	• **Lack of facilities**
Rus de Winter and Rapotokwane	• **Community Hall** • **Sport Ground** • **1 library**	• **These facilities are only located within Rapotokwane.**

As evident from table 12 above, Bela Bela can be considered to be underprovided with facilities of sports, arts, culture and recreation. The majority of the settlement areas lack these facilities at the basic level and the existing facilities that are located within Bela Bela Township encounter an enormous pressure since they are currently overused.

MAP 11: COMMUNITY FACILITIES



5.7. MUNICIPAL HEALTH

This function was devolved to Waterberg District Municipality in June 2007. The service is provided by qualified Environmental Health Practitioners and 3 of those are based in Bela Bela Municipal Area. The District municipality has mechanisms such as by-laws and municipal health plan to ensure that appropriate and standardized municipal health services are effectively and equitably provided.

5.8. DISASTER MANAGEMENT & EMERGENCY SERVICES

Disaster Management arrangements are designed to:

- **Deal with all hazards.** While most attention is given to the obvious emergencies such as fire and transport accidents, a wide range of hazards could be dealt with using disaster management arrangements and resources. This might include emergencies for which there is little or no experience in the Limpopo Province, such as earthquakes or environmental emergencies.
- **Be integrated.** (Involve all people and relevant agencies). The management of emergencies is a shared responsibility involving many people and organizations in the community. It is not something done by one sector of the community to or for the rest of society, although some organizations have specialist roles of this kind, viz;
    - **Private sector organizations** are often involved when their services and resources are needed for prevention, response or recovery activities, or where emergencies affect their buildings, equipment, personnel, suppliers or customers.
    - **Individual members** of the community are also responsible for taking preventative, protective and restorative actions in their own and community's best interests.
    - **Government departments** and **Voluntary Organizations** are also playing a major role in disaster management.
- **Be comprehensive.** (Cover prevention, response and recovery). Prevention response and recovery are all important aspects of disaster management, and each should be explicitly addressed in the arrangements.

The following possible disasters were identified:

- Refugees;
- Epidemics;
- Explosions;
- Extreme weather e.g. strong winds, droughts, floods, etc;
- Hazardous material;
- Aircraft crashes;
- Fire, (veldt fire);
- Transport;

- Power; and
- Nuclear waste.

The municipality committed itself to the provision of the following basic services:-

- Bulk water supply and sanitation – upgrading the capacity of the existing bulk infrastructure i.e. sanitation has a design capacity of 1,260Ml while the actual usage is 1,642Ml.
- Electricity supply – The notified maximum demand is 10MVA while the actual usage is 15MVA and the electrical network has aged. The municipality then needs to upgrade the bulk electricity supply and network.
- Solid Waste Management – There is only one (1) dumping site which serving the entire Bela – Bela. There are no dumping sites at Pienaarsrivier, Radium and Rapotokwane. The municipality needs to consider the establishment of waste management sites in Radium and Pienaarsriver. In terms of Rapotokwane the municipality must at least introduce an awareness program to teach the community of proper disposal of waste within their home yards.

5.9. PROGRESS ON BACKLOG:

SERVICE	2006	2011
WATER	1200hh (Vingerkraal, Bela Bela Informal, Masakhane, Tsakane)	BACKLOG ERADICATED (Poor quality of service at some points)
SANITATION	1200hh (Vingerkraal, Rapotokwane, Masakhane, Tsakane, Bela Bela Informal)	615hh (Zuma, Vingerkraal, Tsakane, Bela Bela Informal)
ELECTRICITY	1000hh (Vingerkraal, Masakhane, Tsakane, Bela Bela Informal)	918hh (Zuma, Vingerkraal, Bela Bela Informal)
REFUSE REMOVAL	1000hh (Vingerkraal, Masakhane, Tsakane, Rapotokwane	1000hh (Vingerkraal, Rapotokwane, Tsakane

ROADS & STORMWATER		12 km paved (over a 5-year-period) 24.3km re-gravelled per year 3.24km new storm water channel
HOUSING	2400 Waiting list	1500 RDP houses 200 sites (middle income)

5.10. CHALLENGES – INSTITUTIONAL PERSPECTIVE

PERFORMANCE AREA	STATUS	CHALLENGES
PROVISION OF WATER	NO BACKLOG ON PROVISION OF WATER	• POOR SUPPLY AT RAPOTOKWANE, MASAKHANE AND VINGERKRAAL • POOR M&O RESOURCING AND MANAGEMENT • NEED FOR BULK INFRASTRUCTURE PLANNING
PROVISION OF SANITATION	• BACKLOGS STILL EXIST IN VINGERKRAAL AND INFORMAL SETTLEMENTS AROUND THE MAIN GROWTH POINT • BACKLOG STANDS AT +-1000hh	• POLITICAL DICORDS AMONG STAKEHOLDERS ON SETTLEMENTS SUCH AS ZUMA AND VINGERKRAAL. • CONSTANT POPULATION MOVEMENT • POOR M&O RESOURCING AND MANAGEMENT • NEED FOR BULK INFRASTRUCTURE PLANNING
PROVISION OF ELECTRICITY	BACKLOG STILL EXISTS IN VINGERKRAAL	• SAME AS ABOVE

	AND INFORMAL SETTLEMENTS AROUND MAIN GROWTH POINT (+-800hh)	
ROADS AND STORM WATER	• **TOTAL ROAD NETWORK OF 97.7km.** • **BACKLOG OF 60.5km**	• **UNPLANNED/POORLY PLANNED SETTLEMENTS** • **CONSTANT POPULATION MOVEMENT** • **INADEQUATE SLOPE IN THE TOWNSHIP** • **POORLY-STRUCRURED UNIT TO DEAL WITH STORM WATER DRAINAGE** • **POOR RESOURCING AND MANAGEMENT OF M&O**
WASTE DISPOSAL	**BACKLOGS STILL EXIST IN VINGERKRAAL, RAPOTOKWANE AND TSAKANE (1000 hh)**	• **POLITICAL DISCORDS AMONG STAKEHOLDERS.** • **LOCATION OF CURRENT WASTE DISPOSAL SITE NOT SUITABLE**

5.11. CHALLENGES – COMMUNITY PERSPECTIVES

Priority	Ward number (Area in the ward)	Challenges/Issues
Roads & Stormwater	Ward 2 (all sections in the ward 2) Ward 3 (all sections in ward 3) Ward 4 (Ext 8) Ward 7 (Ext 6 & Tsakane) Ward 8 (Rapotokwane) Ward 9 (Masakhane)	Regravelling of roads (muddy during rainy season)
	Ward 1 (Spa Park & Jinnah Park) Ward 2 (all sections to be paved in future)	Unpaved of roads/streets

	Ward 7 Ward 6 (Leseding) Ward 4 (Ext 8) Ward 5 (cnr selamolela & ngobene; cnr motsisi & manyama; mathibe & manyama str; mabunda str; sekombane str) Ward 8 (main bus road)	
	Ward 8 (Rapotokwane – Tshamahansthi & Chachaneng)	Erection of a bridge
	Ward 5 (Ngobeni & Lebudi str.)	Recurrence of Potholes
	Ward 3 (all streets with speed-humps)	Flow of water blocked by Speed humps which lead water to neighbouring houses.
	Ward 4 (Ext 8)	Stormwater drainage channel from the mountainous area
	Ward 3 (Mandela – Mazakhele) Ward 4 (Ext 5 & 7) Ward 5 (Lebudi, Manyama & Mothokoa Str.) Ward 7 (Ext 6)	Erection of stormwater drainage system on upgraded roads
	Ward 9(Masakhane)	Erection of stormwater
	Ward 7 (Tsakane)	Inaccessibility of roads/streets
	Ward 3 (Mandela – Mazakhela)	No street names

Electricity	Ward 2 (all sections in the ward 2) Ward 3 (second street of Mandela Village – street electrical meter box need to be closed & all street light not bright enough) Ward 5 (Malebie, Motsitsi, Lebudi, Ngobeni, Mokone & Mosuhlane str) Ward 6 (Hostel View – Rabalao Str)	Upgrading of installed street lights & High-mast light
	Ward 1 (Informal Settlement) Ward 2 (Hleketani School) Ward 4 (Ext 7 – Phomolong , Ext 8 & informal settlements) Ward 5 (Ext 1) Ward 6	Installation of street lights & High-mast light on identified areas
	Ward 4 (Ext 7 & 8) Ward 6 (all sections in the ward)	Constant tripping of electricity
	Ward 3 (Mandela – Mazakhela) Ward 7 (Tsakane) Ward 8 (Rapotokwane) Ward 9 (Masakhane)	No electricity vending machine/satellite office - Eskom
	Ward 3 (Mandela – Mazakhela)	Unannounced termination of electricity
	Ward 1 (Informal settlement) Ward 9 (Masakhane – informal	No electricity connection in the yard

	settlement)	
Water, Sanitation & Refuse Removal	Ward 2 (all sections in the ward) Ward 3 (all sections in the ward)	Constant leakage/overflowing of sewerage network
	Ward 2 (all sections in the ward) Ward 3 (all sections in the ward) Ward 4 (all sections in the ward) Ward 5 (all sections in the ward) Ward 6 (all sections in the ward)	Uncollected pruned trees
	Ward 3 (Mandela – Mazakhela : Stand no 5720 & 5796) Ward 4 (Informal settlements) Ward 9	Leakage of water meters
	Ward 4 (Ext 7 & 8)	Unpurified water
	Ward 5 (all sections in the ward)	Threat of trees under electric wires
	Ward 1 (Informal Settlement) Ward 2 Ward 4 (Informal Settlements) Ward 5 (all sections in the ward) Ward 9 (Masakhane)	Mass refuse containers not provided in all sections
	Ward 7 (Tsakane)	Usage of pit toilets

	Ward 1 (Informal Settlement) Ward 7 (Tsakane) Ward 8 (Rapotokwane)	No water connection in the yard
	Ward 1 (Informal settlement) Ward 9 (Masakhane – next to pump station & Informal settlement)	No access to proper sanitation
	Ward 5 (all sections in the ward)	Delay in refuse collection
	Ward 3 (Mandela – Mazakhela) Ward 7 (Tsakane) Ward 8 (Rapotokwane)	No refuse collection
Sports, Arts, Culture, Recreational Facilities and Cemeteries	Ward 2 (Leseding) Ward 3 Ward 6 Ward 7 (Tsakane) Ward 9 (Masakhane)	No community hall
	Ward 1 (Spa Park & Informal Settlement) Ward 4 (Ext 8 & 7) Ward 6 Ward 7 (Ext 6) Ward 9 (Masakhane)	No sports/recreational facilities

	Ward 1 (Spa Park sports ground) Ward 3 (SANFA Stadium) Ward 5 (Bela Bela Community Hall & stadium next to Bela Bela High School)	Upgrading of sports/recreational facilities
	Ward 1 (Spa Park & Informal Settlement) Ward 7 (Tsakane) Ward 8 (Pienaarsrivier)	No cemetery
	Ward 8 (Rapotokwane) Ward 9	Cemetery not fenced
	Ward 8 (Rapotokwane)	No sports and cultural development as well as lack of information
	Ward 9 (Masakhane)	No library

In addition to the above challenges, the following challenges regarding Transport where also identified:

- Inadequate public transport facilities such as taxi ranks within Bela Bela Town and Township;
- Lack of shelters and ablution facilities;
- Lack of parking areas within the CBD;
- Parking meters within the CBD are not functional,
- Insufficient space for heavy vehicle loading and off-loading, and
- The damages occurring in the local roads due to heavy vehicles (Trucks) that passes the area through R101 to Modimolle or Thabazimbi Area.

6. LOCAL ECONOMIC DEVELOPMENT

Why this KPA? *Strengthen Municipal Local Economic Development Practice*

6.1. SOCIO – ECONOMIC DEVELOPMENT AND LIVELIHOODS

6.1.2. UNEMPLOYMENT AND POVERTY ANALYSIS

It was previously indicated that the age composition of population in Bela Bela comprises of children who are under the age of 15 and who are not accounted as the labour force. The active labour force is estimates at 36 069 in 2009 individuals who are between the ages of 18 – 64. Figure 4 below indicates that approximately 23% of the active labour force is unemployed. The unemployment rate in Bela Bela Municipal Area is similar to unemployment in the Province, but the labour force participation rate in the municipality is considerably higher than that of the Province. This could be the result of labour migration out of Bela Bela in search of work in Gauteng, particularly among younger adult members of the households.

Figure 4: Employment and Unemployment Status

Indicator	2007	2008	2009
Population – Total (Number)	56 289	57 283	58 083
Population – Working age (Number)	34 710	35334	36 069
Employed – Formal and informal – Total (Number)	16 387	16 314	15 985
Unemployed (Number)	5 866	5 462	5 001
Unemployment rate (Percentage)	26.4	25.1	23.8
Labour force participation rate (Percentage)	64.1	61.6	58.2

Source: Quantec Regional Economic Database 2011

Although the labour force participation rate is currently at 58.2%, Bela Bela still needs more efforts to develop a better economically functioning environment that should create more job opportunities and that is critical since the dependency ratio is quite high based on the structure of the population (i.e. dominance of the population group that is dependant on the active labour force to provide for their needs). Further to the above discussed unemployment profile and with reference to figure 5 below, approximately 11% (1 534HH) of the households is dependant on an income which is below R 12 000 per annum (i.e. less than R 1 100 per month). According to the municipalities indigent policy these households can be classified as very poor and they need to be subsidies in the provision of basic services. The ssustainable community economic development projects/ programmes should be utilized to fast track the mandate by ASGISA to Half Poverty by 2014.

The developmental agenda by the municipality in targeting poverty does not only lie within the vigorous efforts to create employment opportunities. The most poverty – stricken households must also be assisted within the short term through the welfare grants, indigent policy and the provision of other basic essential services such as housing.

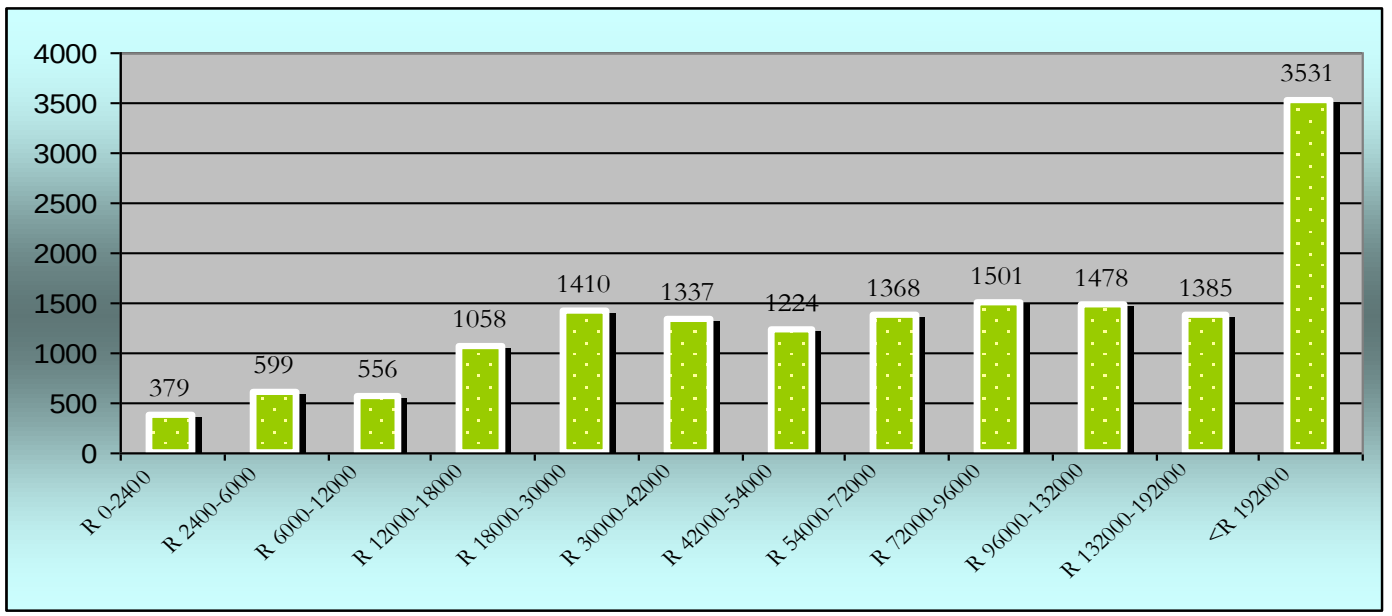
Employment by Sector in Bela Bela Municipality

Sector	**2008**	**2009**	**2010**	**2010%**
Agriculture, forestry and fishing	1 533	1326	1042	7
Mining and quarrying	420	447	576	4
Manufacturing	592	544	518	3
Electricity, gas and water	82	88	73	0
Construction	2494	2778	2804	18
Wholesale and retail trade, catering and accommodation	4690	4355	4342	28
Transport, storage and communication	374	368	303	2
Finance, insurance, real estate and business services	1660	1623	1623	10
Community, social and personal services	2716	2670	2468	16
General government	1753	1787	1876	12
Total	**16 314**	**15 985**	**15 625**	**100**

Source: Quantec Regional Economic Database, 2011

The biggest is the trade, catering and accommodation sector, which includes a large number of popular tourist destinations.

Figure 5: Annual Household Income

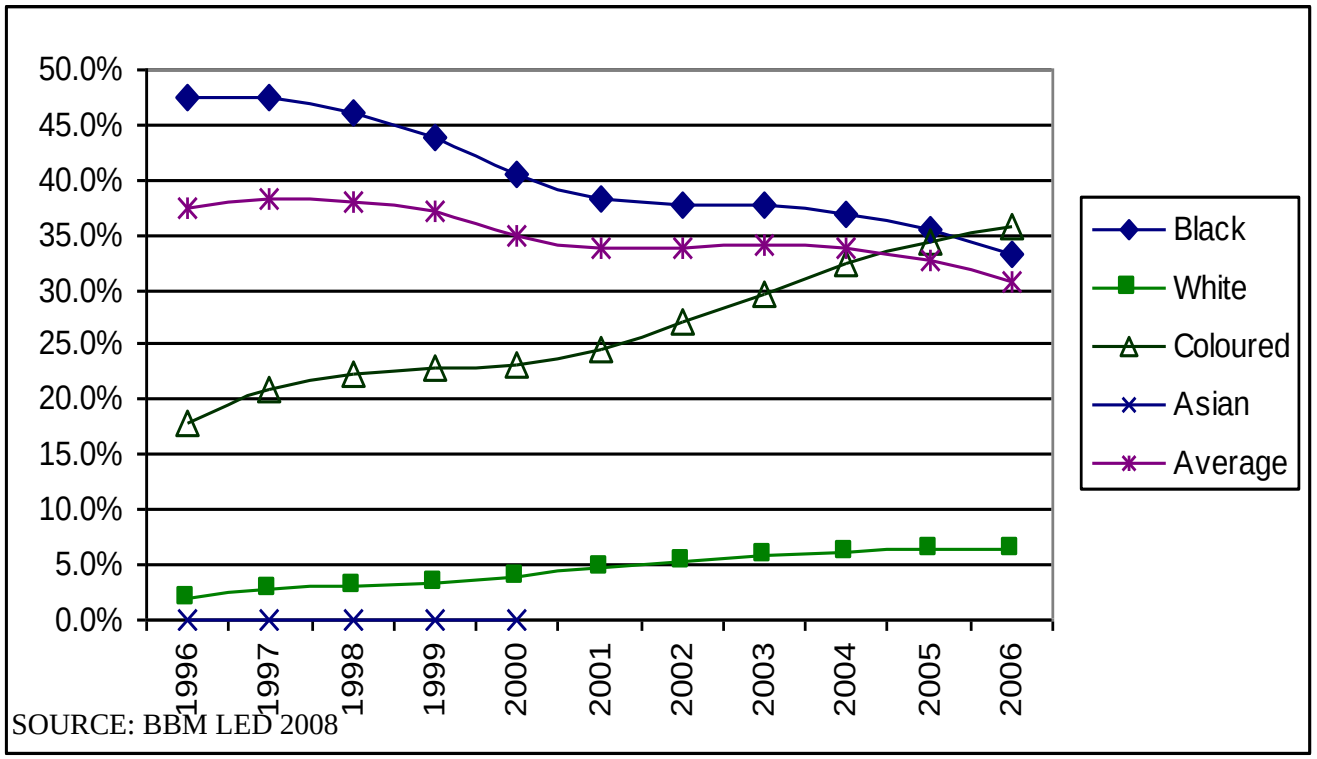


Source: Bela Bela LED Strategy 2008

The municipality has an indigent policy in place and the households that qualify to be registered as the indigents must have an income that does not exceed R 1 100 pm (R 13 200 per annum). The policy is currently benefiting 3 732 households. This figure (3 732HH) is substantially higher than the demographic quantification (1 534HH) and this indicates that the poverty levels on the ground are more than what has been projected.

According to the draft Local Economic Development Strategy of Bela Bela and with reference to Figure 6 below (which compares the poverty levels across the main race groupings), there are very few White population who lives in poverty, whereas more than 30% of the Black households do. The graph indicates a decrease in the number of Black households who were living in poverty from 1996 – 2006, whereas there appears to be an increase in the number of Colored and White households living in poverty.

Figure 6: Comparison in poverty levels (1996 to 2006)



SOURCE: BBM LED 2008

However, it is possible to argue that the results of these calculations have been skewed by the fact that a large portion of the formal economy was driven by the tertiary sectors and in particular the real estate industry, which is very narrow in terms of the people that can participate. Also, these do not create much job opportunities. As such, it is highly questionable if the poverty levels amongst the Black population have decreased to the degree suggested by the graph. Moreover, the recent strong upward movement in inflation levels, which is mostly driven by food and transport cost, affect the poor section of the population more than the affluent section. As such, the poverty levels have probably worsened and not improved.

There are currently five community economic development projects that the LED Unit of Bela – Bela is supporting in terms of the management of those projects and ensuring that the project beneficiaries are adequately trained which are outlined as follows:

Name of cooperative	No of beneficiary	Locality	Challenges
Dinaletsna Cooperative	3	Masakhane	• Non commitment of other members • Irrigation system • Fencing • Tractor and implements • Equip non functional boreholes
Legong Agricultural Coop	7	Radium	• Dedicated market • Withdrawals from members who are afforded an opportunity to work on the farm • Transport • Non functional borehole
Mmamerogo Hydrophonic Coop	6	Masakhane	• Dilapidated hydroponic infrastructure • Water shortage
Moselane Agricultural Coop	5	Radium	• Dedicated market • Only 2 members are active • Transport • Non functional borehole
Rua Naga Pataka	25	Bela Bela	• Dedicated market • Withdrawals from members who are afforded an opportunity to work on the farm • Transport • Non functional borehole

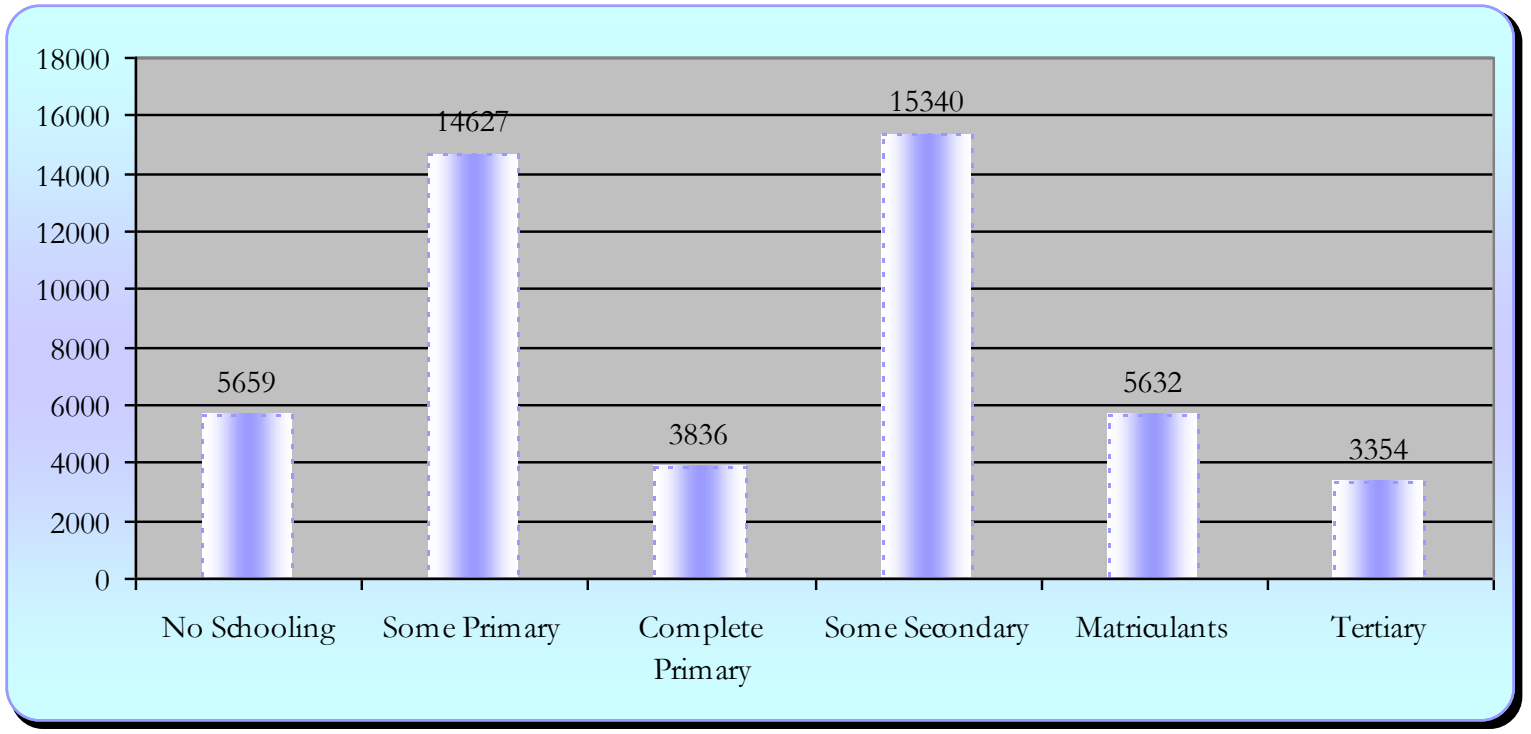
In terms of Promoting Public – Private – Partnerships (PPP) and community partnerships in building the local economy, the municipality has not undertaken any formal project in this regard. Nevertheless the municipality has an intention to outsource the management of the two facilities (i.e. Airfield and Showground's) which are currently unproductive in order to ensure that these facilities became economically productive and create jobs as well.

6.1.3. EDUCATION PROFILE AND LITERACY LEVELS

Education plays a pivotal role on community development. It provides a set of basic skills for development, creativity and innovative abilities within individuals. The South African Constitution provides that everyone has a right to education, which includes Adult Basic Education. The education profile in Bela Bela is another area of concern such that approximately 16% of the adult population (18 – 85+) can be considered as illiterate since they did not obtain

any schooling. The majority of the population (28%) had obtained education to the secondary level and approximately 17% of the population comprises of the matriculants who can be classified as semi – skilled. There are a relatively few people who can be considered as skilled and who were able to reach the tertiary level of education, these individuals' accounts for 7% of the population.

Figure 7: Level of Education



Source: Community Survey, 2007

There are various factors that may have contributed to the situation of low education profile in Bela Bela such as the people not having any funding to further their education and this can also be exacerbated by the fact there is a lack of adequate tertiary institutions within the municipal area thus further limiting further education to only the few who can be considered as privileged. At the present moment there is only one (1) private educational institution that offers tertiary training within Bela – Bela (i.e. Sondela Academy). This tertiary institution currently provides training in Tourism (Guiding and Hospitality), Nature Conservation and Technical Courses. It can be recommended that this training institution be supported to expand in terms of number of learners it can absorb as well as the training courses that are offered.

6.1.4. Economic Development: Size and Structure of the Local Economy

Bela-Bela has a relatively small local economy with an economic value of production of only R1.8 billion in 2010 (at constant 2005 prices). There are several large property developments in this municipality. Trade and tourism activities contribute significantly to local economic production. The agriculture sector in Bela Bela makes larger relative contribution to the local economy than most other municipalities in Limpopo. The table below is an indication of various contributions towards the economy of Bela Bela

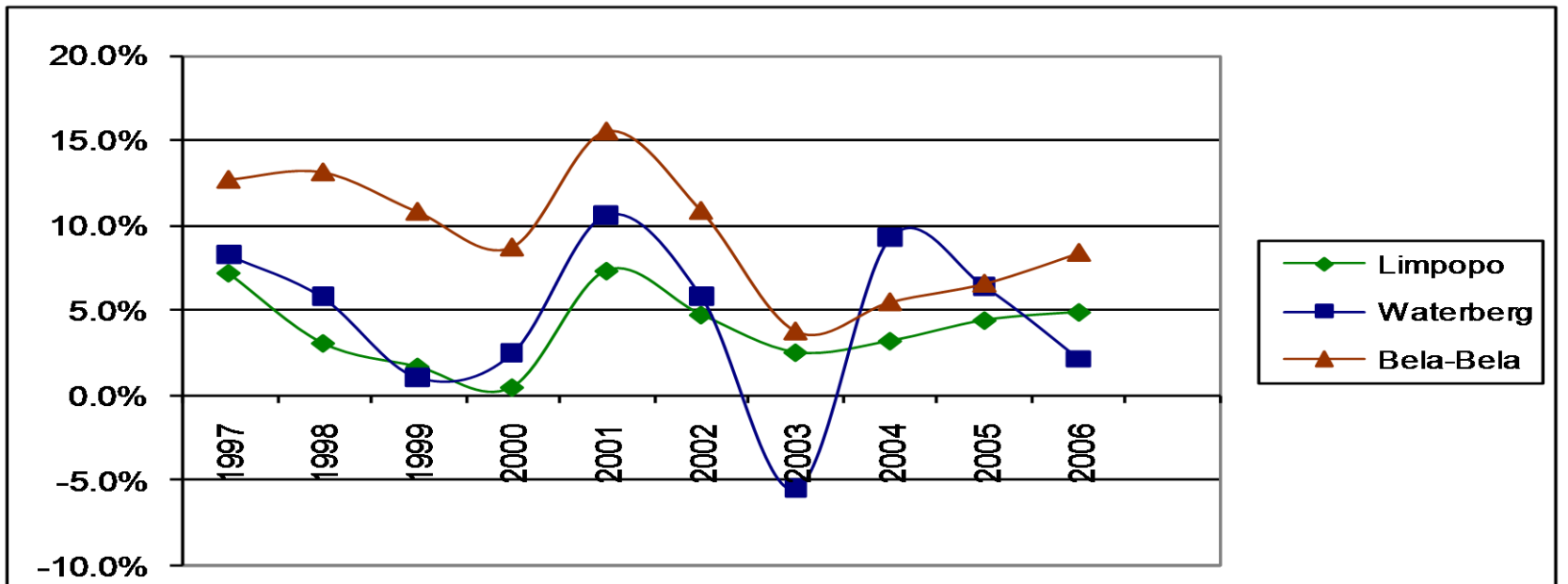
Figure 8: The composition of Bela Bela's Gross Domestic Product (GDP) at Constant Prices2005 Prices, R'm

Sector	**2008**	**2009**	**2010**	**2010%**
Agriculture, forestry and fishing	93	89	90	5
Mining and quarrying	85	82	88	4.9
Manufacturing	40	38	39	2.1
Electricity, gas and water	71	68	71	3.9
Construction	100	112	113	6.2
Wholesale and retail trade, catering and accommodation	310	284	288	15.9
Transport, storage and communication	182	176	184	10.1
Finance, insurance, real estate and business services	593	594	602	33.2
Community, social and personal services	87	84	84	4.6
General government	245	244	253	14
Total	**1807**	**1770**	**1812**	**100**

Source: Quantec & UE calculations, 2011

Figure 8 above is an indication of the performance of Bela Bela in the Waterberg Economy. It should also be noted that figure 8, uses the traditional model of economic indicators which does not specifically group the tourism activities as one sector. The indicators that are closely associated with tourism in the context of figure 8 above includes Transport (10.1%) and Wholesale (15.9%) which accounts for a 26% contribution to the economy of Bela Bela.

Figure 9: Comparison in year-on-year growth for period 1996 to 2006 (constant value at 2000 prices)



SOURCE: BB LED Strategy

Figure 9 above indicates that Bela-Bela managed a higher average growth rate over this period at 9.5% p.a., compared with 3.9% for Limpopo and 4.5% for Waterberg. The graph also shows the significant annual fluctuations. There seem to have been a major upturn in 2001, followed by an immediate downturn from 2001 to 2003, and then a steady increase (except Waterberg). As will be seen in the following paragraphs, the underlying reasons for these fluctuations can be found in slight decreases in the production levels of the main drivers and not in an absolute decrease in the sectors. These fluctuations which are caused by one or two of the drivers clearly show the vulnerability of the economy.

6.1.4.1. TOURISM

Tourism is one of the largest and fastest growing industries with the potential of becoming the focal point of the emerging economy in Bela Bela Municipality. The area gained popularity from its natural hot springs and massive private investment in tourism facilities and hospitality eneterprises followed. The Bela Bela municipal area also is very strategically positioned w.r.t. major cities in South Africa. The supply of accommodation is made up of game lodges, guest houses, hotels,,hunting facilities, holiday resorts and camping sites.

Under **Promotion and Marketing of Tourism**, the municipality was able to subscribe with the Common Wealth Yearbook where the Bela-Bela Profile was published and was also placed on the Common Wealth website. The municipality also attended and participated in tourism events including the Getaway Show in Randburg, and the Tourism Indaba in Durban, where the municipality was marketed and over 900 Bela-Bela Tourism booklets were distributed.

The most significant tourism attractions of the area can be classified into three clusters:

Rust de Winter

There is an initiative by Gauteng Provincial Government (i.e. The Dinokeng Integrated Tourism Initiative) which should stimulate flows of new visitors into the southern tip of Limpopo province with various secondary benefits for Bela-Bela Municipality. There are plans for huge new reserves which will offer a big five, as well as a circuit of cultural centres. The relevance of the Dinokeng project is that Rust De Winter Village, Rust De Winter Nature Reserve and the section of the Limpopo province situated to the east of Pienaarsrivier, were an integral part of the feasibility study and have been included as key development sites. The nature reserve will be incorporated into the Big Five Reserve and two up-market lodges will be located along the western shore of the Dam. The low environmental sensitivity of the reserve and the close proximity to the Gauteng market makes Rust de Winter an ideal destination. The vision for Rust De Winter, as conceptualized in the Maser Plan, is exciting and innovative and could impact positively on tourism within Bela Bela Municipality.

Aventura Resort and lodges in the vicinity of Bela Bela Town

Bela Bela is Northen Sotho for "Boiling – Boiling" and the name of the town is synonymous with the town's word famous hot water springs, which were discovered in the 1800's. The town was previously also known by the name Warmbath. Bela-Bela Town is one of the most popular health and holiday resort towns in South Africa, which owes its origin to the hot mineral springs that bubble at about 22 000 litres per hour with a temperature of around 53°C. The natural hot water is rich in sodium chloride, calcium carbonate and other salts that are believed to have healing properties.

Bonwapala, Kaya-Ingwe, Mabula, Mabalingwe, Sondela and others

The third cluster of tourism attractions in the Bela Bela Municipality as identified in the Tourism Development Strategy is this cluster. These areas are well developed already and the identified potential markets are domestic and international.

The main opportunities that are still there to further redevelop and advance the tourism industry in a manner that can best benefit Bela Bela and its community can be summarized as follows:-

- Institutional Development – Develop a comprehensive tourism strategy, Encourage establishments to apply and maintain star grading, Develop accurate intelligence data, Develop a BEE strategy, Develop policy on Second Economy and Establish properly constituted forums for both the hawkers and Flea-market.
- New Product Development - Explore medical tourism, Further develop sport / adventure tourism, Train station, Increase local content in product, Manufacture products for sport industry and Diversify product offering.

- Skills development – train the emerging tourism entrepreneurs.

6.1.4.2. AGRICULTURE

Even though agricultural related activities have decreased in the Bela Bela Local Municipal area the following crops are still produced in large quantities for local consumption and exports:

- Maize (Radium)
- Cotton (Bela Bela)
- Tobacco (Rust de Winter Area)
- Sunflower (Radium Area)
- Cattle, sheep, goat, horse and poultry farming (throughout the municipality)
- Flowers and roses (various locations)
- Vegetables crops; and
- Various fruit types including grapes, citrus and peaches.

The agricultural sector in Bela Bela should also be considered as economically important particularly because it provides rural residents work as farm labour. However, this sector in many cases is characterized by very poor working conditions and wages are notoriously low with the existence of underemployment. Nevertheless in economic terms the agricultural sector has extensive backward and forward linkages, thereby contributing tremendously towards the overall development and existence of other sectors. This relates mainly to the inputs received from various sources to the agricultural sector (backward linkages) as well as output from the agricultural sector to various other sectors and users (forward linkages).

In terms of the weather conditions, Bela Bela comprises of temperatures between 20-29°C, with the average rainfall between 520 – 650 mm per annum. There are black and red clay soils of medium to high potential in the Springbok flats. Sandy, red soils and wetlands cover the rest of the area. Vegetable crops include the following: Squash butternut, Squash hubbarb, Onions, Watermelons, Cabbage assorted, Sweet Corn, Pumpkin Grey, Pumpkin White, Beetroot, Carrots, and Peppers. Fruit types include the following: Grapes, Citrus, and Peaches. Other crops include: Maize, Cotton, Millet, Tobacco, Lucerne, Cowpeas, Groundnuts, Wheat, Jugebeans, Chinabeans and Sunflower.

Due to the various crops produced, production systems vary widely. Although the trend is changing the whole industry is still characterized by a high unskilled labour input and a serious lack of middle management capacity. In the commercial estate farming the competitiveness of commercial production will be enhanced through appropriate skills development programmes at all levels and through infrastructure development. Access to water for irrigation is particularly important, but feeder roads to production areas and arterial roads to markets are just as important.

The agriculture sector is by its nature one of the most labour intensive industries, however, this ability to create jobs has decreased in recent times and there is evidence that the sector has even shed jobs. The main reasons can be attributed to the following:

- **Mechanization** – As with most other sectors, there is a trend towards mechanization (e.g. precision farming) in order to increase production output (per hectare).
- **Availability of labour** – There are claims that those people that have access to some form of social grant, may find the agriculture sector less attractive as they can probably get a similar, or very close to, a similar income through the social grant. As such, they may either withdraw their labour effort, or only offer it partially, which presents practical problems for the farmer.
- **Effects of ESTA -** The Extension of Security of Tenure Act (No. 62 of 1997) (ESTA) stipulates that farm labour that has worked on the farm for longer than 10 years and is 60 years and older, has a right to stay on the farm. Some of the farmers are trying to avoid this by employing less people.

The main conclusion is that the agriculture sector will play an increasingly important role to secure food security to the South African population, therefore making it a key sector in the economy. It is therefore important that all land be used productively.

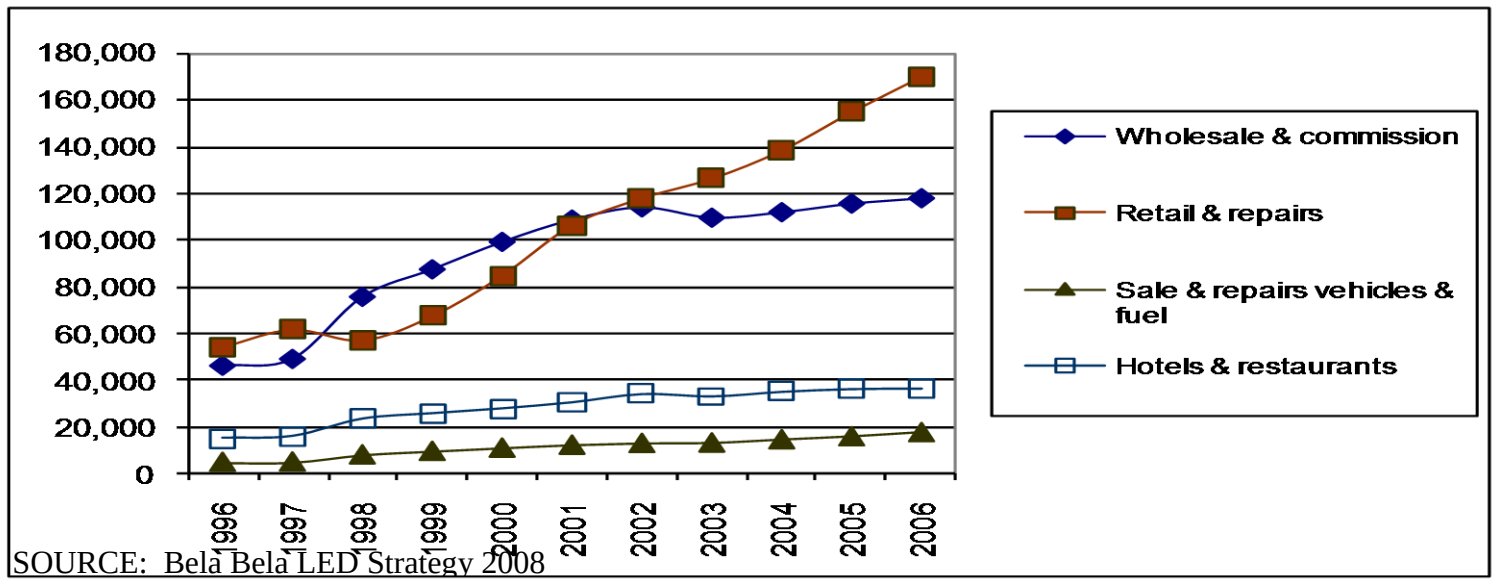
6.1.4.3. MINING

The contribution of the mining sector towards economic development of Bela-Bela is not highly significant. There is only one (1) mine (i.e. NAMCO which mine Industrial Diamonds) that exists within Bela Bela. This mine is located on the southern parts of municipal area and approximately six (6) kilometers to the south east of Radium. Although diamonds are found on the existing mining activity the previous research undertaken as part of the past IDP reviews revealed that the mineral occurrences that existed in Bela Bela for mining resources and precious metals (i.e. gold and diamonds) is of a very low grade and potential to such an extent that it cannot be considered probable that these minerals can be mined within the next 20 – 50 years. Other metals that are found on a limited scale include manganese, copper, tin, cobalt and the supply of calcite, refractory clay and fluorspar is sufficient. The distribution of limestone industrial mineral is small, with a medium scale supply of sandstone and clay which is used to manufacture the bricks within the area.

6.1.4.4. TRADE AND COMMERCE

The performance of Bela Bela in terms of trade and commerce can be considered to be at its infancy stages with the main CBD that is still developing with a wide range of retail outlets, business services and financial institutions. The number of businesses within Bela Bela is increasing with an increase in the number of players in major retailing (i.e. motor retailing) as well as the large construction and building material supplies.

Figure 10: Production levels achieved in Wholesale and Retail, 1996 to 2006 (2000 prices)



SOURCE: Bela Bela LED Strategy 2008

Figure 10 presents the performance of the Trade sector in Bela-Bela at constant prices for the period 1996 to 2006. The graph shows a strong growth trend, which was mainly driven by Retail & Repairs, whereas the initial growth achieved in Wholesale & Commission seems to have flattened out from 2001. The high growth rate achieved in Retail can possibly be attributed to the town of Bela-Bela developing as a local trade node. However, in view of the decrease in the CCI and Retail Confidence Indices, it can be expected that more recent figures will show a downturn in the business levels. This was confirmed in discussions with the Business Forum which indicated that a number of new enterprises have opened during the period of high consumer confidence around 2005 to the second half of 2006. However, many of these enterprises have since closed.

6.1.5. SMME DEVELOPMENT AND THE SECOND ECONOMY

One of the indicator targets is to **support SMMEs** (Small Medium Micro Enterprises). The Municipality put as its target training of **100 SMMEs** during the 2010/11 financial year. At the end of the financial year over **140 SMMEs** had received some training or workshops relating to business related skills. These include 30 SMMEs trained on Cooperative development by SEDA); 55 SMME trained/workshopped on how to access finance, non-financial support,

incentives and other services offered by LIBSA; 30 SMMEs/Local Youth trained by IDASA on project management; and 25 SMMEs trained on start-up business by SEDA.

The SMME sector has a potential to revive stagnating economies and reduce poverty. Unfortunately there are no records of the SMME's contribution to the economy of Bela Bela as most of the activities cut across economic sectors while some are aligned to survivalists involving vending at taxi ranks and along pavements. Most of the SMMEs and second economy activities are in trade and wholesale, arts and craft, utility services and transports. These activities can be mainstreamed to the existing well performing first economy e.g. mainstreaming the arts and craft street vendors to the existing tourism market. This would require the vigorous efforts by the municipality and provincial government to come up with the creative ways of supporting the development of SMME.

The LED Strategy for Bela Bela (2008) indicated that the informal sector in Bela-Bela can be divided into two groups namely the hawkers that are located at the entrance to Bela-Bela township, and the flea market which is located at Checkers in the CBD area. The hawkers were provided with a few shelters at the main entrance to Bela-Bela Township where there is high traffic volume. The shelters are supposed to provide interim space until the hawker has developed the enterprise to such an extent that he needs larger premises. To date, none of the hawkers have achieved this, which can be ascribed to a number of factors such as:

i. Severe limitations on their potential mark-up for the following reasons:
   - The clients have the option to buy the same commodities at the shops located in Warmbaths town, where there is more variety at lower prices.
   - In some cases, the farmers (from whom hawkers buy the fruit and vegetables) sell the same products next to the hawkers at the original purchase price.

ii. There is virtually no differentiation in the products offered. As a result, turnover and profit levels are very low and the enterprises can be considered as survivalist.

iii. The shelters are not provided with any services, which present practical problems such as sanitation.

iv. The hawkers store their goods in the shelters which pose the risk of theft.

v. Most of the entrepreneurs have no basic business skills such as cashflow management.

The flea market entrepreneurs construct their own shelters. They either manufacture the commodities themselves, or purchase it from suppliers. Their primary market differs from the hawkers as they do not target the local market, but the tourists visiting the area.

Challenges include the following:

i. The area is not serviced.

ii. Due to the lack of proper storage facilities, they have to take all their commodities with them at the end of each day, which pose major logistical problems.

iii. Although they are well located in terms of the through-flow of tourists, very few tourists know about them and stop at the market (i.e. in most cases, the tourists will drive past to their destinations).

iv. Flea markets tend to offer the same products and by the time the tourists have arrived at Bela-Bela, chances are very high that they would have visited similar flea markets elsewhere. The goal should therefore be to develop a unique product.

v. Similarly to the hawkers, very few have basic business skills.

6.1.5.1. MONITORING OF JOB CREATION

On **monitoring of job creation** the municipality is able to report that over **45 temporary jobs** from private development. Over **645 temporary jobs** created by Limpopo provincial government departments, which includes over 600 on the EPWP by the provincial Department of Roads and Transport, 35 by the Department of Local Government of Housing on the construction of RDP Houses, and 10 by the Department of Public Works/Sports Arts and Culture on the construction of Clinic at Rapotokwane. Municipal projects/initiatives accounts for over **176** temporary jobs arising from the following projects/activities: Testing ground(7), Cleaning of Stormwater(32), Cleaning of paved roads(33), Technical Services Contract workers(52); Upgrading of Voltage(10), Road Paving Phase 3(30), and Resealing of Chris Hani Drive(12). One of the private sector initiatives processed through the Town Planning and Building Control was to create over **45 temporary jobs** during construction, which started in April 2011 and ended in August 2011. Department of Public Works also built a Tribal Office in Rapotokwane. The project was able to create 44 jobs. Among the said number, 17 males and 27 females were employed. The total number of Youth employed was 21. People with disability were not employed.

6.2. PROGRESS ON BACKLOG:

MEASURES	2006	2011
LED STRATEGY	DRAFT	ADOPTED
LED UNIT		DIVISION ESTABLISHED
SPATIAL DEVELOPMENT FRAMEWORK	NON-EXISTENT	ADOPTED
LAND USE MANAGEMENT SCHEME	NON-EXISTENT	ADOPTED
INTEGRATED DEVELOPMENT PLAN	POOR	CREDIBLE

6.5. CHALLENGES – INSTITUTIONAL PERSPECTIVE

PERFORMANCE AREA	STATUS	CHALLENGES
DEVELOPMENT PLANNING	PLANNING TOOLS EXIST e.g SDF, IDP, LUMS, LED STRAT.	• CAPACITY TO MONITOR IMPLEMENTATION OF THE TOOLS • POORLY RESOURCED UNITS IN PROPERTY MANAGEMENT, BUILDING INSPECTION, BUILDING CONTROL
PROMOTION OF LOCAL TOURISM, LED, AND INVESTMENT	• INFORMAL PROGRAMMES IN PLACE • REGULAR INTERACTION WITH FARMING AND BUSINESS COMMUNITY TAKING PLACE • SUPPORT OF SMMES ONGOING	• POOR APPRECIATION OF THE VALUE OF LOCAL ECONOMIC DRIVERS • POOR APPRECIATION OF THE MEANING AND VALUE OF INVESTMENT • LACK OF MONITORING OF THE OUTCOME/IMPACT OF SUPPORT TO SMMES • INABILITY TO MONITOR GROWTH AND DEVELOPMENT
TRADING REGULATIONS	• POLICY IN THE PIPELINE	• UNIT TO ADMINISTER TRADING REGULATIONS NOT YET FUNCTIONAL • POOR APPRECIATION OF THE FUNCTION

6.4. CHALLENGES – COMMUNITY PERSPECTIVE

Priority	Ward number (Area in the ward)	Challenges/Issues
Local Economic Development	Ward 2 (all sections in the ward) Ward 3 (all business people in the ward) Ward 4 (Ext 7 & 8) Ward 5 (all business people in the ward)	Local economy benefit the foreigners
	Affects all municipal wards	Lack of information on LED (training, workshops, skills development etc.)
	Affects all municipal wards	Limited development of SMME's & Cooperatives
	Affects all municipal wards	Complicated procedure to acquire loans for SMME's
	Affects all municipal wards	Community members are not empowered with basic computer literacy and work based ICT skills
	Ward 5 (all business people in the ward)	Procure policy does not benefit the local people
	Ward 3 (affect all sections in the ward)	High level of unemployment (mostly youth)
	Ward 3 (Mandela – Mazakhela) Ward 4 (Ext 5, 7, 8 & informal settlements)	Capital projects do not benefit the local people within the ward
	Ward 1 (affect all sections in the ward)	Sustainable projects/initiatives are limited (farming, agriculture, business managerial skills, etc)

In addition to the above challenges, the following challenges are identified as key to the development of the local economy:

The key challenge lies to the fact that the benefits of this sector has not mainstreamed Broad Based Black Economic Empowerment (BBBEE) and its success has not reflected any impact to deepen prosperity by the emerging SMMEs since it has mainly been private sector or investor driven. The additional constraints that hampers the further development of the Bela-Bela tourism industry is the lack of a shared vision for tourism. As a result, the effort is

fragmented, with each establishment pursuing its own goals, rather than working towards a shared vision. Although the industry has the proven potential to make a meaningful contribution to an economy, the following observations must be noted with specific reference to Bela-Bela:

i. Not all product owners belong to the Tourism Association, which implies a "silo" approach with each owner pursuing his own goals and market segment instead of working together towards a shares goal.
ii. A lack of tourism intelligence (e.g. the number of visitors, their demographic profile, length of stay, spend, etc.).
iii. Very few of the facilities are star graded.
iv. Illegal signage along the roads spoils the area.
v. Total lack of progress with BEE (at best, the establishments are compliance driven) – also a lack of knowledge and understanding of the Tourism BEE Charter.
vi. Huge leakages with establishments not buying local (minimize the potential multiplier effect).
vii. Potential market segments are not developed (e.g. medical tourism).
viii. Too much emphasis on "Eurocentric" markets whereas facilities too expensive for local communities.

7. FINANCIAL VIABILITY AND MANAGEMENT

Why this KPA? *Improve Municipal Financial Planning and Management System and Practice*

The Budget and Treasury under the leadership of the Chief Financial Officer has been able to support the Municipal Manager in assisting him in the administration of municipal bank accounts and in the preparation and implementation of the municipality's budget. The Municipality have also been in a position to advice other senior managers in carrying out their delegated powers in terms of the Municipal Finance Management Act. Over and above that, the municipality have been able to discharge fiduciary duties such as accounting, analysis, financial reporting, cash management, financial management.

The municipality was able to maintain the level of expenditure to the maximum revenue collected and as such had a favourable bank balance at the end of the 2010/11 financial year. The municipal commitment to the payment of statutory bodies was however not compromised and so was the resolve to pay the creditors within 30 days of receipt of an invoice. All the grants received were utilised for the purpose that they were intended for, especially the MIG and DME grants. The municipality was also able to meet the FMG requirement of employing 5 interns.

With regard to Revenue Management, the municipality was able to achieve 80% payment rate for the year but the outstanding debts is still at unsatisfactory level and as such maximum effort need to be done in order to reduce these debts. There has also been constant engagement with the Government departments and they have indicated the willingness to pay for outstanding amounts. The municipality had a total number of 2 806 indigents who were subsidised for the basic services such as water, refuse, rates and sewerage (R 1 639 985) and Electricity - (R 2 602 738) as funded from the equitable share.

The Supply Chain Management policy has been reviewed and is being implemented in line with the Treasury regulations. There was also and audit of the whole supply chain process and there no major issues identified.

7.1. FINANCIAL VIALBILITY

	2010/11
Cash collected from customers	88 494 437.10
Billings to customers	111 321 284.69
Total operating transfers (Grant + Subsidy income)	49 143 057
Total operating expenditure	212 560 174
Council approved capital budget in year	28 370 485 (25 403 000 (Original) & 2 967 488 (Adjusted))
Total outstanding customer debt	81 944 263
Billed revenue for year	111 321 284.69

Current assets as at 30 June 2011	13 69 986
Current liabilities as at 30 June 2011	63 878 776
Total revenue	176 902 293
Salaries budget (including benefits)	58 248 000
Total operating budget	162 110 000

7.2. GRANT EXPENDITURE & MANAGEMENT

	2010/11
Did Bela Bela Municipality receive the Municipal Systems Improvement Grant (MSIG) during	Yes
What was the allocation for	750 000
What amount of this allocation was utilized in	1 189 387
What amount of this allocation rolled over	461 222
Did Bela Bela Municipality receive the Municipal Infrastructure Grant (MIG) in	Yes
What was the allocation for	12 903 000
What amount of this allocation was utilized in	12 903 000
What amount of this allocation was rolled over	0

7.3. FINANCIAL POLICIES, STRATEGIES & SYSTEMS IN PLACE

SYSTEMS/POLICY/STRATEGY	AVAILABLE (YES/NO)	COMMENTS
Rates policy	Yes	
Compilation of valuation rolls	Yes	
Established audit committee	Yes	
Utilization of "shared services" of audit committee	No	
Credit Control	Yes	
Debt Collection	Yes	
Property Rates	Yes	
Indigent and Write – off Policy	Yes	
Risk Management Strategy	Yes	It was adopted on 30th June 2009.
Establishment of Internal Audit Unit	Yes	
Adopted anti-corruption policy	Yes	It was adopted on 30th June 2009.
Adopted supply chain management	Yes	
Established budget and treasury office	Yes	

7.4. PROGRESS ON BACKLOG:

MEASURES	2006	2011
REVENUE COLLECTION	+-80%	+-90%
DEBT REDUCTION	+-R40m	+-R60m
A-G REPORT	DISCLAIMER	UNQUALIFIED
LPRA IMPLEMENTATION	N/A	IN APPLICATION
IAC, IPAC & IA	NON-EXISTENT	APPOINTED
SCM POLICY	NON-EXISTENT	ADOPTED
B & T OFFICE	NOT FULLY ESTABLISHED	ESTABLISHED (but unstable due to officials resigning)

7.5. CHALLENGES – INSTITUTIONAL PERSPECTIVE

PERFORMANCE AREA	STATUS	CHALLENGES
REVENUE COLLECTION	AVERAGE= 79% AS AT DEC. 2011	• BILLING CHALLENGES • NON PAYMENT
DEBT COLLECTION	DEBT BOOK STANDS AT +-R101m	• SAME AS ABOVE • LENGTHY AND COSTLY MEASURES IN IMPLEMENTATION OF CREDIT CONTROL
A-G REPORT	2010/11 REPORT PENDING	IMPLEMENTATION OF GRAP 17 e.g asset management)
SUPPLY CHAIN MANAGEMENT	• POLICY EXISTS • REGULAR TRAINING ON SCM TAKING PLACE	• STRUGGLE IN THE IMPLEMENTATION OF SCM POLICY • POOR CONTROLS IN EXPENDITURE

7.6. CHALLENGES – COMMUNITY PERSPECTIVE

Priority	Ward number (Area in the ward)	Challenges/Issues
Municipal Financial Viability	Ward 2 (affects All sections) Ward 3 (particularly stand no 6403, 6366, 6364, 6390, 5575, 5578) Ward 4 (affects all sections) Ward 9 (Masakhane)	Incorrect billing

	Ward 3 (Mandela) Ward 5 (Affects all sections) Ward 7 Ward 9 (Masakhane)	Inadequate vending machine particularly for the purchase of electricity
	Ward 3 (Mandela) Ward 5 (all sections) Ward 7 (Ext 6) Ward 9 (Masakhane)	Unaffordable municipal rates/tariffs
	Ward 7 (Ext 6)	Delay in delivery of municipal accounts
	Ward 3 (Mandela) Ward 7 (Ext 6)	Inadequate community consultation on municipal rates/tariffs
	Ward 1 (Spa park) Ward 3 (Mandela) Ward 4 (Ext 5, 7 & 8) Ward 5 (affects all sections) Ward 9 (Masakhane)	Not all indigents are catered for in provision of municipal services
	Ward 5 (affects all sections)	Inconsistent rate charge for the church sites

8. GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Why this KPA? Increase effectiveness of Corporate Governance and Public Participation Systems and Practices

The Communication Strategy was reviewed and it has been implemented. A total of 44 Public Participation Meetings were held (including Mayoral ward Imbizos, IDP Budget Hearings, Mayoral visits to wards, etc.) in 2010/11 financial year. The municipality further hosted and or organized other 11 events in collaboration with sector departments, including among others: Women's month at Rapotokwane, Sports Festival at Rapotokwane, Arbour Day Celebration, Waterberg District Municipality Imbizos, Human Rights' day Celebration, etc.

Municipal Website was developed, it is functional and it is being updated on a periodic basis (http:\\www.belabela.gov.za).

Two councilors were assisted with Executive Leadership training at University of Pretoria and has since completed in March 2011. 80 ward committee members were trained on the roles and responsibilities of ward committees and legislative requirements in April 2011.

8.1. COMMUNITY AND STAKEHOLDER PRIORITY ISSUES

Various stakeholders were in the position to identify their needs and their key development priorities. The following stakeholders played an important role in identifying their community needs and development priorities:

- Ward Committees: established in 8 wards with 80 members. Two wards are still outstanding w.r.t. establishment of ward committees. 120 meetings were held by ward committees in 2011/12 FY including 5 IDP/Budget Meetings.
- Community Development Workers: 9. 8 meetings were held in 2011/12 with CDWs including basic training on IDP, 4 X Rep For a.
- Traditional Leaders: 1 Tribal Authority – Litho Tribal Authority. 1 meeting held with the traditional authority in 2011/12
- Taxi Organisation: WATA
- Farmers union
- Business sector
- Tourism Association
- Civic Society & Community based organisations i.e. Disabled Organisations, Pensioners Associations
- All government sector departments
- Parastatals
- Council of churches
- Traditional Healers Associations
- Bela Bela Municipality Disability Council
- Youth Council
- Sports Council

- Old Citizen Council

8.2. AUDITED REPORTS

FINANCIAL YEARS	DISCLAIMER	ADVERSE	QUALIFIED	UNQUALIFIED
2003/04	X			
2004/05	X			
2005/06	X			
2006/07	X			
2007/08			X	
2008/09			X	
2009/10				X
2010/11		X		

8.3. MEASURES TAKEN TO IMPROVE PERFORMANCE

There were 8 Audit Committee meetings during the 2010/11 Financial year to discharge its duties as prescribed by the applicable legislation and together with the commitment of the management, the municipality was able to obtain a Unqualified opinion. This has built a great foundation for future years and a believe that the municipality will be in a position to obtain another unqualified audit opinion before the target date of 2014 as set out by the National Minister of COGTA.

Performance Audit Committee was established during 2010/11 financial year. The 1st meeting of the committee took place on the 01 March 2011 to review the quarterly reports for 1st and 2nd Quarter. The Performance Audit Committee's Report was then forwarded to Municipal Council with recommendations. The Committee comprised of the following members:

Mr W Modisha – chairperson

Mr D Poopedi

Mr J Thubakgale

Mrs Makgoba – Municipal Councilor.

The 2nd meeting of the committee took place on the 22 August 2011 to deal with 3rd and 4th Quarter information. Due to local government election in May 2011, the above-mentioned Municipal Councilor was replaced by Cllr G Seleka but other committee members remained the same.

8.4. AUDITOR GENERALS RECOMMENDATIONS IMPLEMENTED

The municipality developed an Audit Action Plan to address findings raised in the AG's Report. Action Plan was discussed with the Audit Committee and Management of the municipality. The Municipality addressed some of the raised issues and the progress on the Action Plan is being reported to Municipal Council.

8.4.1. THE ACTION PLAN TO ADDRESS THE AUDITOR GENERAL'S ISSUES THAT WERE IDENTIFIED IN 2010-2011

The Auditor –General identified the following issues in 2010-11 for the Bela Bela Municipality to address going forward, the table includes Action Plan adopted by Bela Bela Municipality Management:

No	Impact	Risk	Exception:	Recommendation	Management Comments	Auditor Response	Action Required	Responsible Officials	Due Date	Progress on the implementation
O1	Audit report	H	Fruitless and wasteful expenditure: Employee costs - Leave days paid out exceed 48 days (EX.2)	Leave paid out to terminated employees should not exceed 48 days as per the collective agreement with SALGA.	We agree with the finding and we understand that our memorandum from HR to Budget and Treasury was not explicit in terms of payment to the maximum of 48 days hence payment was done for more than 48 days. In future we will make sure that we indicate on the memorandum that payment will be to the maximum of 48 days.	Management agrees with audit finding.	Div Man: HR to ensure that all leave payouts done do not exceed 48 days. This should form part of a checklist for employee payouts.	Divsional Manager: Human Resource	Monthly	
O2	Man Report	M	Cash and cash equivalents - Bank reconciliations not reviewed (EX.4)	The monthly bank reconciliations should be reviewed and signed by the Divisional Manager: Budget and Reporting.	Monthly reconciliation have been reviewed on monthly basis however the physical bank reconciliation were not signed we will ensure that hard copy are also signed.	Management to implement recommendation	Div Man: Budget & Reporting should ensure that the Bank Recon for each month is printed and signed to serve as proof of review.	Divsional Manager: Budget & Reporting	15th of each Month	Not complete.Still in progress
O3	Man Report	M	Provisions - No evidence of review on the long service award provision schedule	The Divisional manager: HR did not review the calculation/schedule for the long service award provision for the accuracy and the completeness of the provision.	Disagree. Management did review the calculation, it was only not signed. Management take note of the control and will take extra care to ensure proof of review.	Management response was noted. However no signature was appended on the schedule as proof that it has been reviewed.	Div Man: Budget & Reporting and the DIV Man: HR should ensure that the Long Service Reward provision is done by professional Actuaries each year. The draft report from them should be reviewed and the final report printed and signed as proof of review.	Divisional Manager HR & Divisional Manager Budget & Reporting	15th of July each year	Current year provsion not done.
O4	Audit report	H	Provisions - Provision schedules not provided.13th cheque	The Chief financial officer should ensure that the relevant schedules/calculations with regards to the 13th cheque provision is kept and updated on a regular basis.	Disagree. The provision for 2010/11 was calculated, but since the calculation indicated a lower provision than the previous year it was communicated to the AG that management decided not to adjust the provision for 30 June 2011. Please see attached the calculation.	Management response was noted. However the response was received after the due date of the communication of audit finding. It was agreed with management that if information was submitted late it will only be audited if there is sufficient time available. As the information was submitted late and it requires an additional sample to be selected this information was not audited.	The calculation for 13th cheque should be done at each year-end. The Div Man: Budget & Reporting and the Div Man: HR should ensure that the calculation is done and reviewed. A hard copy of the calculation should be kept on file, which is signed as proof of review. Journals should then be processed to update the FMS to the provision calculation.	Divisional Manager HR & Divisional Manager Budget & Reporting	15th of July each year	Current year provsion not done.
O5	Audit report	H	Accumulated surplus or deficit - Prior year accumulated surplus or deficit closing balance different from current year opening balance	The financial statements and other information to be included in the annual report should be reviewed by the Chief Financial Officer for completeness and accuracy prior to submission for audit.	Disagree. The difference of R13 058 581.00 is due to the two prior period errors reported. It is disclosed in note 34 of the AFS. This refers to the reclassification of Demand Charges and the provision for the closure costs of the landfill site. Please refer to journal nrs 2973 and 2994.	Management response was noted. However the prior period errors as disclosed in note 34 to the Annual financial statements were not properly disclosed as per the annual financial statements.	The financial statements and other information to be included in the annual report should be reviewed by the Chief Financial Officer for completeness and accuracy prior to submission for audit.	Divsional Manager: Budget & Reporting	Within 30days after end of financial year	To be done at year end
O6	Man Report	M	Property, plant and equipment - Incomplete fixed assets register	Information in the fixed assets register should be reviewed by the Divisional Manager: Budget and Reporting for completeness and accuracy prior to submission for audit	Disagree, due to the fact that the PPE was revalued the PURCHASE DATE, COST was not required seeing the assets were revalued at year end. Method of financing is no longer required by GRAP There was no impairment for the year. There were no disposals.	According to the GRAP implementation guide, these fields are required even though it might not be applicable.	The fixed asset register should be reviewed and the template expanded to include all required fields.	Divsional Manager: Budget & Reporting	30th of March 2011	still in progress not yet complete.

O7	Man Report	M	Property, plant and equipment - No evidence of review of the fixed assets register	The accounting officer should ensure that the municipality maintains an effective system of internal control with regard to the safeguarding of fixed assets, with emphasis on the review (and signing as evidence thereof) of the fixed assets register.	Management agrees with the finding We have made an appointment of an Asset accountant whom will be responsible for monthly review of asset register and reconciliation to ensure that the asset register is fully compliant of Grap.	Management agrees with audit finding.	The hard copy fixed asset register should be signed by the CFO and the Div Man: Budget & Reporting as proof of review. This should only be done on the final and correct copy. Monthly reconcilliations between the FAR and the FMS should be done. These reconciliations should also be printed and signed as proof of review by the Div Man: Budget & Reporting	Divsional Manager: Budget & Reporting	30th of March 2011	Not complete.Still in progress
O8	Man Report	M	Inventories - Inventory balance per the financial statements different from trial balance	The Chief Financial Officer should reconcile disclosures in the annual financial statements to the financial records of the municipality to ensure proper / appropriate disclosure of financial statement items.	Disagree. Please refer to the attached recon of the differences on the above mentioned votes. Only one difference could be identified. Please review whether the source data worked from are correct since Sebata gave reporting errors during the request for information phases.	The difference relates to current year balances and not comparative figures (column heading incorrectly shown as 2009/2010). Management did not address the reason for the error in their response therefore the audit finding remains unresolved.	The Chief Financial Officer should reconcile disclosures in the annual financial statements to the financial records of the municipality to ensure proper / appropriate disclosure of financial statement items.	CFO/ Divisional Manager Budget & Reporting	Within 30days after end of financial year	To be done at year end
O9	Man Report	M	Employee costs - Annual leave not accurately and timeously captured (EX.16).annual leave applications were authorised after the leave was taken:Negative leave balance.Timesheet or leave register did not correspond with the leave application form .Emp code Employee name Leave per timesheet Leave per application form Leave form number Additional Informationannual leave was not taken according to the leave planner: annual leave was not timeously captured on the payroll system: employee has a leave balance above 48 days and was not included in the leave planner. Employees that did not take the required minimum days in their leave cycle:	• Annual leave should be approved by the municipal manager, division head or mayor before it is taken. • The date of approval should be indicated on the application form for leave to ensure the application form for leave is complete • The date that the annual leave is recorded should be indicated on the application for leave form to ensure completion of the form and to ensure that leave was timeously captured. • The leave clerk should monitor that employees do not take more leave than they are entitled to • The employees timesheets should be reconciled to the leave register to ensure that all leave taken has been captured on the applicable leave form • The leave code should be accurately captured. • Leave should be timeously captured to ensure that leave balances are up-to-date. • The leave planner and annual leave taken by employees should be monitored to ensure that employees are taking leave as planned, otherwise the employees should be notified that their leave will be forfeited if they do not take the leave as planned.	(a) We agree with the finding and we acknowledge that there was an oversight by management and we will ensure the same does not repeat itself by making sure that employees takes leave only after approval and managers are not supposed to approve leave that was already taken.(b) We agree and will ensure that dates are written before accepting the leave forms in Human resource for capturing.(c) We have already indicated that there were problems with the system and this leave transactions is one of those captured but not appearing on the history.(d) Agree with the finding and already trying to address the problems by sending out leave balances to managers to ensure that employees don't take more than what they are having.(e) 169- Agree managers will be advised to keep copies of the leave forms to ensure that timesheet are completed accurately however the leave was captured correctly.(e) 347- Leave was submitted in April and since it was approved by the manager, HR had to capture it since the employee was authorized to take it.(e) 100- leave form might have been recorded in the wrong file; we will ensure that we find the form.(f) Human error- will make sure that it is done correctly by making sure that the HR Officer verifies the information captured by the HR Clerk on the system.(g) 119- Disagree with the finding according to our records Mahlaola PR is not	Management agrees with all audit findings raised (and therefore remains unresolved) except: (c) Management indicated that this transaction has been captured but is not appearing on the system. Management has not provided us with evidence that this leave transaction was captured on the excel leave register. Finding therefore remains unresolved. (e) Re employee 347. Leave for the period 03/05/2011 - 17/05/2011 was applied for and approved in April. Inspected leave application, accepted as correct. (g) Management indicated that the leave planner does not apply to the mentioned employees as they do not have excess leave days. Evidence of this has not been submitted together with managements response. Finding therefore remains unresolved. (j) Management indicated the following: 347 - Employee appointed on 15/03/2010 therefore leave cycle only starts on 01/03/2011 as employees are not allowed to take leave during the first year of employment. 229 - The employee had a negative leave day balance hence 16 days were not taken 533 - Employee appointed on 03/05/2010 therefore leave cycle only starts on 01/05/2011 as employees are not allowed to take leave during the first year of employment. 129 - Employee took leave in January 2011 (9 days), May 2011 (1 day) and July 2011 (10 days). Evidence of the abovementioned has not been submitted together with managements response. Finding therefore remains unresolved.	Div Man: HR to ensure that:(a) no leave is approved after it was taken. Leave may only be taken once it has been approved(b) all leave forms to be completed in total before it is approved and capturedc) monthly reconciliations for leave between leave forms and Payday to be prepared by HR. Reconciling items must be corrected monthly and Div Man: HR must review these recons and sign it as proof of review.(d) Leave balances should be reviewed in conjunction with leave forms by each Senior Manager and the Div Man: HR, employees may note take more leave than their balance in terms of the collective agreement and leave policy.(g) when leave is reviewed for approval, it should take into account the specific employee's leave cycle. This should form part of the checklist for leave approval. No employee may take leave during the first year of employment, no employee may also go into negative leave days.	Divisional Manager HR	Monthly	

					having more leave days so the leave planner does not apply on him.(g) 169-Tshabalala T –the employees leave balance is 25 to date and does not have any excess leave that should compel him to take leave as per the plan- due to the fact that other officials within the division are supposed to take more days within a period of time.(h) Agree this is due to late submission of leave forms from the divisions ,HR will ensure that no leave forms are issued while others were not returned.(i) Kutu LL- Agree with the finding, this is due to the system (Sebata) complications with regards to employees who have been promoted and this is rectified the employee is currently on leave for 24 days and he will be taken leave again in December which means that by the end of December 2011 the leave balance will be within the limit.(j) 347- Masoga NM- disagree with the finding the employee was appointed on the 15/03/2010 and her leave cycle starts on the 01/03/2011 only employees who have completed a full twelve month are allowed to take annual leave.(j) 384-Kutu LL please refer to the response on item (i) above)(j) 229-Ngwenya J – there employee was running at a minus hence leave sixteen days were not taken.(j) 533-Baloyi LR-disagree with the finding the employee was appointed on the 3/05/2010 and her leave cycle was only starting in May 2011 the employee past away during the period on May 2011 and only employees who have completed a full twelve month are allowed to take annual leave.(j) 129-Luvhengo MJ –disagree the employee took leave in January 2011 for 9 days, 1 day May and 10 days in July 2011 of which the total is 20 days.(j) 253-Mabokela – agree the employee did not enough days and will be encouraged to take the required leave days per leave cycle.Name: Nelly RamolobengPosition: Divisional Manager Human Resource Date: 03 October 2011					

O10	Man Report	M	Employee costs - Sick leave not recorded or not accurately recorded (EX.17)	The HR clerk should ensure the following: • The application for leave forms are completely filled in, in terms of authorisation date and the date the leave was recorded. • The application for leave form number is accurately captured in the leave register and the system. • The number of days sick leave corresponds to the dates sick leave is taken • That sick leave is captured timeoulsy • That employees who are exceeding their 80 days sick leave entitlement, be informed of half pay sick leave or exchanging their annual leave for sick leave.	Management has not submitted their response at the date of this report.	Management has not submitted their response at the date of this report.	Inaccurate leave capturing will be highlighted and resolved with monthly leave recons between leave forms and the FMS.	Div Manager HR	Monthly	
O11	Audit report	H	Predetermined objectives - Peformance indicators are not wel defined and targets are not specific, measurable and time bound (EX	Management should ensure that performance indicators are well defined and set targets in IDP and / or SDBIP are specific, measurable and time bound.	I agree that some of the targets are not specific and measurable. This was mainly due to lack of common understanding on mainly routine maintenance related activities. The same issue was raised during the 2009/10 audit, but at the time the SDBIP for 2010/11 was already approved. However, during the 2011/12 SDBIP, the performance target was to set performance standards, e.g. the taken to respond to address an issue or process an application rather than the number of applications expected to be processed and that a register will be kept to check performance. For project related targets such as IT infrastructure management will ensure that we become specific on the type of output in future.	Management agrees with audit finding	Management should ensure that performance indicators are well defined and set targets in IDP and / or SDBIP are specific, measurable and time bound.	DM Internal Audit/IDP /MPED	End of January 2012	
O12	Audit report	H	Property, plant and equipment - No fixed assets reconciliation	The Divisional Manager: Budget and reporting did not ensure that a reconciliation between the fixed asset register and the general ledger accounts were prepared on a monthly basis.	I agree that some of the targets are not specific and measurable.	Management response noted. However as there was no reconciliation performed and there is still differences between the fixed asset register and the general ledger the finding will remain.	monthly reconciliations should be performed between the FAR and the GL. The Div Man: Budget & Reporting should review these recons and ensure that correcting journal entries are made monthly for any reconciling items. Recons should be signed as proof of review.	Divsional Manager: Budget & Reporting	Monthly	still in progress not yet complete.
O13	Man Report	M	Employee costs - Other leave (EX.20).The following discrepancies were noted with regards to the leave administration of the municipality: a) Leave recorded on the SEBATA system does not have a corresponding leave application form, the leave was also not reflected on the employee's timesheet.	HR clerk should ensure that: a) Family responsibility and special leave is timeously captured. b) Leave captured is supported by an application for leave form. c) The leave form numbers are accurately captured on the system.	This was mainly due to lack of common understanding on mainly routine maintenance related activities. The same issue was raised during the 2009/10 audit, but at the time the SDBIP for 2010/11 was already approved.	Management agrees with audit finding	HR should ensure that: a) Family responsibility and special leave is timeously captured. b) Leave captured is supported by an application for leave form. c) The leave form numbers are accurately captured on the system.	Divisional Manager HR	Monthly	

O14	Man Report	M	Employee costs - No provision raised for leave pay out to terminated employees (EX.21)	The municipality should raise a provision at year end 30 June 2011 for the terminated employees who have not yet been paid by the 30 June 2011.	However, during the 2011/12 SDBIP, the performance target was to set performance standards, e.g. the taken to respond to address an issue or process an application rather than the number of applications expected to be processed and that a register will be kept to check performance. For project related targets such as IT infrastructure management will ensure that we become specific on the type of output in future.	Journal was not attached. Finding remains unresolved.	A schedule of terminations, resignations and deaths should be kept and monthly updated before the payroll run. This schedule should be reviewed by the Div Man: HR and signed as proof of review. The signed schedule should then be communicated to the Div Man: Expenditure before month-end so that employee payouts can be done appropriately.	Divisional Manager HR	Monthly	
O15	Man Report	M	Employee costs - No timesheet or attendence register could be provided (EX.22)	Timesheets and attendance registers should be properly kept for audit purposes.	We acknowledge the finding, the employee was frequently off sick, we will however try to get timesheets from everyone even when they are on leave.	Management agrees with audit finding	Timesheets should be obtained from all employees on a monthly basis. Should the employee be on leave at the time, the timesheet should be submitted before he/she go on leave. If he/she is on sick leave, the timesheet should be submitted on the first day back at work. It is the Div Man of each divisions responsibility to ensure all time sheets are submitted on time.	All Divisional Managers	Monthly	
O16	Audit report	H	Employee costs - Accrued leave pay inaccurately calculated (EX.23)	The divisional manager expenditure should ensure that the calculation for the accrued leave pay is properly reviewed. June figures, excluding the performance bonuses, should be used to calculate the cost to company. The cost to company should be calculated using the salary, allowances and the company contributions. Taxable perks should be excluded from the calculations. The leave balance should be recalculated by adding the annual leave balance remaining for the year and the accumulated leave balance brought forward from the previous year using the list provided by HR division.	Agree with the finding, attached find the revised provision.	Calculation was not attached. Finding remain unresolved.	The divisional manager expenditure should ensure that the calculation for the accrued leave pay is properly reviewed. June figures, excluding the performance bonuses, should be used to calculate the cost to company. The cost to company should be calculated using the salary, allowances and the company contributions. Taxable perks should be excluded from the calculations. The leave balance should be recalculated by adding the annual leave balance remaining for the year and the accumulated leave balance brought forward from the previous year using the list provided by HR division.	Divisional Manager: Expenditure	15th of July each year	
O17	Audit report	H	Predetermined objectives - Targets are not consistent with the SDBIP (EX.24)	The Manager: Planning and Economic Development must ensure that only planned and approved objectives per the SDBIP have been included / reported on in annual performance report.	Agree with the finding.	Management is in agreement with the audit finding	The Manager: Planning and Economic Development must ensure that only planned and approved objectives per the SDBIP have been included / reported on in annual performance report.	DM IDP /MPED	January 2012 August 2012	
O18	Audit report	H	Predetermined objectives - The annual performance report does not contain any measures to improve the performance (EX.25)	The Manager: Planning and Economic Development must ensure that the municipality have measures in place to improve on their performance for all of the targets that was not met by the municipality during the year under review.	Agree that in some areas where targets were not met there were no measures in place to improve performance.	Management agrees with the audit finding.	The Manager: Planning and Economic Development must ensure that the municipality have measures in place to improve on their performance for all of the targets that was not met by the municipality during the year under review.	DM IDP /MPED	Jan-12	

O19	Man Report	M	Employee costs - Tax not deducted from leave paid out for deceased employee Nkuna WJ (EX.27)	Tax directives should be obtained for payments where the prescribed tax tables do not cater for certain remuneration or other payments.	The tax amount of R634 was not deducted from the final payment made to the beneficiaries of the deceased for the following reasons: - The beneficiary, NA Nkuna, is not an employee of the municipality and therefore not on the municipality's payroll. - It would compromise the payroll to "appoint" each person that is being paid leave gratuity on the system as it is a once-off payment and we don't normally have all the personal details of beneficiaries. - It has been a legacy issue wherein all people who receive gratuity payments of less than R30 000 is exempt from paying tax. The matter has been taken up with management with the recommendation that: - An acceptable beneficiary be the one appointed for the deceased's estate (at the magistrate's office) - The final leave gratuity be paid out only after the payslip has been run for the respective month, as tax shall have been deducted. - When there is no clear / confirmed beneficiary, the payslip be run for deceased's estate.	Tax directives should be attached to final gratuities paid. Matter will be followed up during next year's audit.	Leave payouts should be properly reviewed by Div Man: HR and Div Man: Expenditure. All tax dedudctions for employee payouts should be recalculated with reference to the tax directives applied. All of this supporting documentation should be attached to the payment voucher. The calculation must be signed as proof of review.	Divisional Manager: Expenditure	Monthly	
O20	Audit report	H	HR: Accuracy of payslips	Arrear payments be made to the Best Funeral Society from March 2011until August 2011 and that the employee be notified of the arrear payments. The following is recommended: a) Employment contracts be kept for each employee of the municipality b) application forms exist for allowances and deductions made. c) UIF and PAYE be calculated by spreading the 13th cheque over the 12 months.	Management response has not been submitted at the date of this report.	Management response has not been submitted at the date of this report.	Div Man: ExpenditureMonthly reconciliations between payslips and the GL should be performed. Any discrepencies should be resolved within a month Div Man: HR - A full exercise of reconciling employment contracts and any additional agreements to PayDay should be performed, to check that deductions and contributions are loaded correctly. Div Man: HR - The employee listing should be review monthly to ensure no fictitious employees are paid, or that employees which should have been removed from payroll are paid.	Div Manager HR and Expenditure	Monthly	
O21	Audit report	H	Employee costs - Inaccurately processing of overtime (EX.29). Inaccurate calculation of overtime:	We recommend that:a) the supervisors and the divisional managers of the employees working the overtime, ensure that the employee has indicated on the timesheet, whether Sunday time worked is times 2 or normal time and that the time has been accurately recorded.b) prior written approval is given to the employees before the overtime is worked in order for the Municipality to comply with their overtime policyc) overtime paid within a month should not exceed 30% of the employees basic salaryd)	Management's response was not submitted at the date of this report.	Management's response was not submitted at the date of this report.	A monthly reconciliation of overtime forms to Payday should be performed.Discrepencies should be resolved within a month. The recon should be printed and signed as proof of review by the Div Man: HR.	Divisional Manager Expenditure & Div. Manager HR	Monthly	

				employees should not be premitted to work more than ten (10) hours of overtime a week and more than three (3) hours of overtime in a day, in oder to comply with the Municipalitiy's overtime policy and the Basic Conditions of Employement Act.						
O22	Audit report	H	Provisions - Provision not reversed with payments. The 13th cheque/bonus provision balance is not reduced with the bonus payments made to employees each month of the year under review. A provision schedule is not maintained by the municipality. Valuation or allocation adjustments may not be appropriately recorded, resulting in inclusion in the financial statements at inappropriate amounts.	All payments made to employees ito 13th cheque should be processed to the relevant employee costs votes on the GL. This is the responsibility of the Div Man: Exp A schedule/ recon should be kept on a monthly basis to confirm 13th cheque payouts. This should be reconciled monthly to actual payments made. Discrepencies should be resolved immediately. The schedule should be kept by the Div Man: Expenditure. It should be updated in a timely fasion apon written instruction for payouts from the Div Man: HR.	Management response is still outstanding at the date of this report.	Management response is still outstanding at the date of this report.	All payments made to employees ito 13th cheque should be processed to the relevant employee costs votes on the GL. This is the responsibility of the Div Man: Exp A schedule/ recon should be kept on a monthly basis to confirm 13th cheque payouts. This should be reconciled monthly to actual payments made. Discrepencies should be resolved immediately. The schedule should be kept by the Div Man: Expenditure. It should be updated in a timely fasion apon written instruction for payouts from the Div Man: HR.	Divisional Manager: Expenditure	Monthly	
O23	Audit report	H	Property, plant and equipment - Fixed assets register not appropriately classified in categories as per GRAP	Information in the fixed assets register should be reviewed by the Divisional Manager: Budget and Reporting for completeness and accuracy prior to submission for audit.	Disagree. These classifications are available in the FAR. Please also refer to the submission with the response to COF 31.	Management response noted. However the information that was provided to the auditors did not contain the relevant classification of the assets. Therefore the finding remains.	The FAR should be reviewed and proper classifications done for all assets. Proper records should be kept on assets reclassified, since a prior period error will have to be disclosed ito of classification totals of assets on the AFS. A recon should be done to indicate the movement from old classifications to new classifications. Depreciation calculations should also be reviewed since different depreciation methods may exist for different classes of assets.	Divsional Manager: Budget & Reporting	30th of March 2011	
O24	Man Report	M	Provisions - Total closure costs of land fill not mathematically accurate.The total closure costs of land fill discounted for the Provision of land fill site determination (as per the Valuation report) is not mathematically accurate	Information in the valuation report should be reviewed by the Chief Financial Officer for completeness and accuracy thereof prior to the adjustment therefore in the annual financial statements.	Agree. Management will communicate the issue to the consultants responsible for the report and ask for an amended one. Proposed journals to correct the error on the AFS will be sent to the AG.	Management agrees with audit finding.	The report issued by professional consultants each year should be properly reviewed. Once final, the report should be signed and approved as proof of review and acceptance - Div Man: Budget & Reporting; Div Man: Waste	Divsional Manager: Budget & Reporting	30 July of each year	Current year provsion not done.

O25	Audit report	H	Accumulated surplus or deficit - Prior year error not appropriately disclosed.The identified prior period errors, corrected during the period under review, have not been disclosed in the Statement of Changes in Net Assets in the annual financial statements for the year under review.	The accounting officer should review the financial statements and other information to be included in the annual report for the completeness and accuracy thereof prior to submission for audit	Disagree. The amounts were disclosed as part of the 2009/10 comparative figures	Management response was noted. However the prior period errors disclosed as per note 34 to the Annual financial statements have not disclosed in the Statement of changes in net assets.	All prior period errors disclosed per GRAP 3 in the AFS should also be indicated in the statement of changes in net assets - Div Man: Budget & Reporting	CFO/ Divisional Manager Budget & Reporting	Within 30days after end of financial year	still in progress not yet complete.
O26	Audit report	H	Predetermined objectives - No follow up on targets not made in the previous year (EX.36)	The Divisional Manager: Planning and economic development have to ensure that proper follow up procedures are done regularly on the targets that was not met in the previous financial period.	I agree, as indicated in the Mid-Year Assessment Report for 2010/11 that some of the targets for 2009/10 financial year could not be included in the SDBIP for 2010/11. This was mainly due to reprioritization of projects during the 2010/11 IDP review process which emerged with other new urgent projects. However some of them were included in the 2010/11 SDBIP while the other were included in the 2011/12 SDBIP. However management will ensure that all targets not met in prior year(s) are followed up in the following year(s), unless due to budgetary constraints they get deferred because there may be others that are more urgent and therefore become priorities during that year. However they will still be prioritized in the outer years if they are still relevant – that is, if there has not been any strategic priority project of which its implementation might have indirectly ensured that the said target gets addressed. .	Management agrees with audit finding.	Planning and economic development have to ensure that proper follow up procedures are done regularly on the targets that was not met in the previous financial period.	DM IDP /MPED	January 2012 March 2012	
O27	Man Report	M	Other financial liabilities - Overstatement of long term liabilities (EX.38)The long term portion of the liability is overstated in the financial statements.	The CFO should review the financial statements to ensure that the amount reflected therein are correctly valued.	Disagree. Amount per AFS = R 11,810,545.97 Amount per amortisation schedule = R 11,812,132.87 Diff = R 1,586.90 (understatement)	The amortisation schedule used by management in calculating the difference differs from the one submitted for audit purposes. Please find additional detail with regards to error communicated in audit finding: R BELA-00-0002 1,060,450.16 BELA-00-0003 12,073,405.67 June 2011 installment only paid in July 2011 132,031.53 Outstanding at 30/06/2011 (per amortisation schedule) 13,265,887.36 Closing balance as per AFS 13,303,253.94 Difference 37,366.58 Finding therefore remains unresolved.	Div Man: Expenditure - monthly reconcilaitions between the loan register/ amortisation table and the GL should be performed. Any discrepancies should be cleared immediately. These recons should be reviewed and signed as proof of review by the Div Man.	Divisional Manager: Expenditure	30th of March 2011	

O28	Audit report	H	Overstement of Bank overdraftCash book balance per bank reconciliation (10,004,294.73)Balance per General ledger (8,026,757.53) Misstatement bank balance in the financial statements	Div Man: Budget & Reporting - bank reconciliations should be reviewed to ensure correct/final balances were used. The recon must be signed as proof of review.	Agree. Please use the adjusted bank recon submitted with COF 33 Cash and cash equivalents.	Management agrees with the audit finding.	Div Man: Budget & Reporting - bank reconciliations should be reviewed to ensure correct/final balances were used. The recon must be signed as proof of review.	Divisional Manager: Budget & Reporting	30-Mar-11	Done until December 2011
O29	Man Report	M	Cash and cash equivalents - Authorised signatories listed at the bank not employees of the Municipality (EX.40) Signatory name T Muelelwa FG Mudan	Management must ensure that the bank signatories are updated as a matter of urgency.	Standard Bank was informed of the change in personnel, and currently the Acting CFO is the only one who can request and be provided with account information. A follow up will be made with the bank on this matter	These two employees were still listed as authorised signatories at the date of our audit. Finding therefore remains unresolved.	All signatories for bank accounts owned by Bela Bela Municipality should be reviewed to ensure they are still active employees. The signatories identified here should be updated as a matter of urgency to ensure no financial loss occur - CFO	CFO	30-Mar-11	Done.The employees were removed.
O30	Man Report	M	Investments - Investment register does not agree to the General Ledger (EX.42)	The Chief Financial Officer should reconcile disclosures in the annual financial statements to the financial records of the municipality to ensure proper / appropriate disclosure of financial statement items.	Disagree. Please refer to the attached reconciliation of amounts per AFS vs Investment register.	Except for a difference of R2 220, the investment register agrees with the amounts disclosed in note 10 to the annual financial statements. However, the financial statements and the general ledger does not correspond. The following difference was identified: Acc no. Description 2010/2011 50504030000 FNB 62045841485 CALL A 228,015.19 50504040000 ABSA 9079442012 1,029,099.10 50504050000 ABSA CALL 4073741532 269,768.97 50504140000 INVESTMENT STANDARD BA 3,614.27 Total as per SEBATA trial balance 1,530,497.53 Total as per annual financial statements 1,488,613.00 Difference 41,884.53	Journals should be properly reviewed by the CFO. Duplication cannot remain unresolved. Care must be taken that monthly reconcilaitions between the Investment Register and the GL do not have differences that remain unresolved.	Divisional Manager: Budget & Reporting	30-Mar-11	Journal still need to be passed.
O31	Audit report	H	Consumer Deposits: No accounting policy disclosed in the financial statements (EX.43) it was identified that no accounting policies were disclosed for the recognition and measurement of consumer deposits. No accounting policy was disclosed in the financial statements of the previous year.	The Chief Financial Officer should review the financial statements to ensure that all accounting policies are disclosed therein, so as ensure compliance with the requirements of GRAP 1.	Agreed. Accounting policy for consumer deposits will be disclosed in the financial statements in accordance with GRAP 1. 1	Accounting policy for consumer deposits was not attached to management's response. We were therefore unable to assess the appropriateness and application of the accounting policy.	The CFO should ensure that a separate policy is disclosed in the accounting policies section of the AFS in terms of consumer deposits.	CFO	########	
O32	Man Report	M	Revenue - Prepaid Electricity: Amounts recorded in the wrong accounting period (EX.44)Determined through enquiry from the cash office that the above transactions actually took place during July 2010 and therefore should have been accounted for in July 2010. It was found that these transactions were incorrectly accounted for in April 2010. Possible overstatement of	The accounting officer will be required to implement controls, and monitoring them so as to ensure that amounts are recorded in the period to which they relate..	Management's response has not been submitted at the date of this report.	Management's response has not been submitted at the date of this report.	Div Man: Revenue should ensure that monthly reconciliations are done for different revenue streams in consbill to GL. Misallocation between votes and incorrect cut-off should be identified monthly and corrected immediately.	Divisional Manager: Revenue	########	

			revenue from the sale of prepaid electricity.							
O33	Man Report	M	Revenue - Traffic Fines: Amounts incorrectly classified (EX.45)Determined through enquiry with the cash office and through inspection of the bank statements that the above transactions relate to the sale of prepaid electricity, but were incorrectly classified as revenue from traffic fines.	The Accounting Officer of the municipality will be required to ensure that the controls in place for the reviewing, processing and classifying of items reflected on the bank statements are operating effectively and efficiently.This will ensure that items processed from the bank statements are correctly identified and allocated to the correct categories of revenue..	Management's response has not been submitted at the date of this report.	Management's response has not been submitted at the date of this report.	Div Man: Revenue should ensure that monthly reconciliations are done for different revenue streams in consbill to GL. Misallocation between votes and incorrect cut-off should be identified monthly and corrected immediately.	Divisional Manager: Revenue	########	
O34	Man Report	M	Revenue - Interest received on external investments not paid into primary bank account (EX.46)	The Accounting Officer at the municipality will be required to implement appropriate controls, so as ensure that the interest received on all its investment accounts are paid into its primary bank account on a regular basis, in accordance with the requirements of the Act.	Interest on the ABSA fixed deposit (Acc: 2066701092) is paid into the main bank account monthly and only the capital portion is reinvested. The ABSA 32 day notice deposit (Acc: 9079442012) is held as a guarantee to Magalies, so the municipality is not entitled to withdraw the interest earned for use in operations. The Standard Bank Cheque account (Acc: 032224621) have not earned interest during the year under review. Interest earned on the FNB call account (Acc: 62045841485) is capitalised to the investment so that better investment returns can be earned.	According to the MFMA, interest received by the municipality on its investments must be paid into the municipality's primary bank account. This is not done in terms of the interest earned on the FNB call account, therefore remains non-compliance with the MFMA.	Interest received on external investments should be paid into the main bank account - CFO to correct and monitor for compliance.	CFO/ Divisional Manager Budget & Reporting	########	Done.Standard bank account was closed and FNB investment is guarantee for magalies water
O35	Man Report	M	Revenue - Interest received on external investments: Difference between AFS and Bank confirmation certificates (EX.47)	The Accounting officer should implement adequate controls so as to ensure that all interest earned on its investments and primary bank account are accurately recorded in its accounting records during the financial year.	Management's response has not been submitted at the date of this report.	Management's response has not been submitted at the date of this report.	ensure that the main bank account's interest is allocated to interest received. It is currently included in unallocated receipts and form part of the bank recon.	CFO/ Divisional Manager Budget & Reporting	########	Journal still need to be passed.
O36	Man Report	M	Value Added Tax - No evidence of review of the transaction report	The Divisional manager: expenditure should ensure that a VAT reconciliation is performed on a monthly basis. He also should review the monthly VAT reports for the completeness and accuracy thereof.	Disagree. Monthly reconciliations for the 2010/11 year were done. The reconciliation submitted to the AG reconciled the VAT 201s for input and output to the GL votes. Journals were proposed to balance the GL to the VAT 201 returns. Please see attached the schedule again. If further explanation is required, please set up an appropriate time with Management and allow Maxprof to join	Management response was noted. However the was no proof that the reconciliations was reviewed by management and there is still differences between the general ledger and the VAT returns.	Service Provider to perform monthly reconciliations between VAT control votes and returns submitted. Appointment of Vat Officer be proritised	Divisional Manager: Expenditure	########	
O37	Audit report	H	Value Added Tax - VAT reconciliations not performed/prepared	The Divisional manager: expenditure must ensure that a VAT reconciliation was performed on a monthly basis.	Disagree. Please refer to the reconciliation attached.	Management response is noted. However the finding still remain as the differences between the general ledger and the VAT returns is not corrected for.	Service Provider to perform monthly reconciliations between VAT control votes and returns submitted.Appointment of Vat Officer be proritised	Divisional Manager: Expenditure	########	

O38	Man Report	M	Depreciation and impairment - Depreciation per fixed assets register not agree to General ledger	The accounting officer should ensure that awareness, understanding and capacities of employees who ought to perform the monthly fixed assets reconciliations are raised, and control mechanisms are strengthened - with specific emphasis on the review (and signing as evidence thereof) of the monthly fixed assets reconciliation.	Management's response has not been submitted at the date of this report.	Management's response has not been submitted at the date of this report.	Div Man: Budget & Reporting - After the review of the FAR to correct any misclassifications or miscalculations, the GL must be reconciled to the FAR. This has to be done in conjunction with the monthly reconciliations of the total FAR to GL. Journals to update the FMS should be processed to clear any reconciling items.	Divisional Manager: Budget & Reporting	30-Mar-11	still in progress not yet complete.
O39	Audit report	H	Non Compliance with MFMA: Creditors not paid within 30 days (EX.51)	The Divisional Manager Expenditure should ensure that all suppliers are paid within 30 day after the invoices have been received.	The municipality normally pays its creditors within 30 days from the date of receipt of the invoice. However, it sometimes happens that some creditors are paid later than the prescribed period, owing to cash flow challenges that are experienced from time to time. However, the municipality remains committed to abide by the 30 days period for settlement of the creditors.	Management agrees with audit finding.	CFO - the Municipality should always remain committed to paying creditors within 30 days.Proper cash flow forecasts as part of cash flow planning can be implemented to assist in manageing payments to creditors.	CFO/ Divisional Manager Expenditure	Monthly	
O40	Man Report	M	Trade and other payables - No reconciliation between the creditors age analysis and the general ledger (EX.52)	The Divisional Manager Expenditure should ensure that reconciliation between creditor age analysis and the general ledger are performed and reviewed on a monthly basis.	Disagree. Monthly reconciliations are performed to ensure that the creditors ledger agrees to the creditors control vote. The difference indicated occurred during June 2011 and is still under investigation. Management are doing everything in their power to resolve the difference.	Reconciliation between the creditor age analysis and general ledger was not submitted for audit purposes. Audit finding remains unresolved.	Div Man: Expenditure - monthly reconciliations between Creditors listing and GL and then Age Analysis should be done.	Divisional Manager: Expenditure	Monthly	
O41	Audit report	H	Irregular expenditure - Preference point system for the procument of goods and services not followed (EX.53)It was determined during the audit that the municipality did not apply preference point system for the procurement of goods / services listed below which is contrary to the above requirement. There was no motivation signed by the Accounting Officer for the deviation from the procurement procedure.	The Chief Financial Officer must ensure that a preference point system is used on all of the contracts awarded according to the supply chain management policy.	No. Amount Supplier name Response 1 70 000.00 OJS Construction Agree. The lowest quote was approved. Acknowledge that preference points will be also included in bids above R30 000. 2 42 000.00 Badirwa Construtcion Agree. The lowest quote was approved. Acknowledge that preference points will be also included in bids above R30 000. 3 162 750.00 Nakonika Construction and Projects Partly resolved. Deviation was approved by management, but erroneously not included in the AFS and quarterly report to council. 4 39 330.00 Lezmin 3030CC Partly resolved. Deviation was approved by management, but erroneously not included in the AFS and quarterly report to council. 5 196 935.00 Lezmin 3030CC Partly resolved. Deviation was approved by management, but erroneously not included in the AFS and quarterly report to council. 6 58 019.00 Moloto Attorneys	Verified management's response with regards to Moloto Attorneys - expenditure incurred for legal fees. Accepted. Management did not attach the memorandum to deviate from SCM policy with their response, irregular expenditure amounts to R511 015.	Div Man: SCM - the preference points system should be implemented and applied as part of the procurement policy.	CFO/ Accountant Supply Chain Management	Monthly	

					Resolved. These are municipal attorneys who have agreement with the municipality. 7 140 245.00 Moloto Attorneys Resolved. These are municipal attorneys who have agreement with the municipality. Name: Ludick Matwalana Position: Acting CFO Date: 03 November 2011					
O42	Man Report	M	Irregular expenditure - Contract and procurement management: Procurement of goods /services not equitable and competitive (EX.54	The accounting officer should ensure that awareness, understanding and capacities of employees performing stock counts and valuations are raised, and control mechanisms are strengthened - with a specific emphasis on the review (and signing as evidence thereof) of the reports generated.	*Not in the final submitted management report.*	*Not in the final submitted management report.*	Ensure compalince with SCM	CFO	ongoing	
O43	Audit report	H	Unauthorised expenditure - Separate bank account not opened for unspent conditional grants (EX.56)	The accounting officer did not ensure that a separate bank account is opened for the unspent grants of the municipality.	A separate call account has been opened for conditional Grant (MIG) with ABSA. Acc no. 4078462834	No information with regards to this bank account and when it was opened (not included in confirmation received from ABSA) has been provided to the auditors. The finding is also not limited to MIG. The finding remains unresolved.	CFO - management should consider using separate bank accounts for grants. This will ease the process for reconciling payments and receipts. It might put strain on cash flow.	CFO	30-Jun-12	
O44	Man Report	M	Employee costs - Variances between the 2010 and 2011 financial year end cannot be explained and supported (EX.57)a) The decrease in the Skills Development Levy from R346 955 in the previous year to R282 521 in the financial year under review (2010-2011 year). b) The current service cost being R1 048 838 in the previous year and R 0 in the current year. c) Through further inspection of the annual financial statement UIF is R0 in the comparative year, but reflects R84 130 in the year	Management should monitor variances between the current year and the previous year figures and also review the financial statement for the accuracy and completeness thereof.	Management has not submitted their response at the date of this report.	Management has not submitted their response at the date of this report.	Management should monitor variances between the current year and the previous year figures and also review the financial statement for the accuracy and completeness thereof.	Divisional Manager: Expenditure	30-Jul-12	

			under review.							
O45	Man Report	M	Employee costs - Missing appointment information (EX.58)	The Divisional Manager: HR should ensure the following: a) Information captured for newly appointed employees be reviewed to ensure that information is accurately captured b) All short listing reports are kept for all posts filled. c) Candidates appointed meet the requirements as per advertisement. The Divisional Manager: Budget and reporting ensure that the budget is updated and that all of the relevant information is required for audit purposes.	Management response (a) Agree with the finding. (b) Agree with the findings, the short listing reports are missing/misplaced and we are know trying to address the problem by having scanning the information to ensure that we have backup. (c) Disagree with the findings only employees who have been shortlisted will be called in for the interview process and the report are with the auditors. (d) Agree with the finding although during the short listing process the panel agreed that since the candidates are having more experience outside and not in a municipal environment then consideration should be based on the experience regardless of whether the candidate worked at the municipality or not,HR omitted to write the comments of the panel. (e) Agree Human Resource will ensure that the captured information is correct, we will be checking all employees' information on the system and ensure that everything is correct. Name: Nelly Ramolobeng Position: Divisional Manager Human Resource Date: 03 November 2011	Management agrees with audit finding except in the following instance: (d) Management indicated that only employees who have been shortlisted will be called in for the interview process and that the report of shortlisted candidates are with the auditors. Our finding is based on the report that was submitted. The finding remains unresolved.	The Divisional Manager: HR should ensure the following: a) Information captured for newly appointed employees be reviewed to ensure that information is accurately captured b) All short listing reports are kept for all posts filled. c) Candidates appointed meet the requirements as per advertisement. The Divisional Manager: Budget and reporting ensure that the budget is updated and that all of the relevant information is required for audit purposes.	Div Manager HR	30-Jul-12	

O46	audit report	H	Irregular expenditure - Appointment of the bidder without recommendations from bid commitee (EX.61)No Name of the project Supplier Project no Amount 1 Upgrade of Bela bela waste water treatment plant BMK Electronics 9/3/1/58 3 887 462.70 2 Supply and delivery of office furniture - phase two Nothoka business enterprise 9/3/1/59 817 807.32	Detailed records must be kept of procurement processes.	Disagree.Upgrade of Bela bela Waste Water Treatment plant: Copies of the minutes are hereby attachedSupply and delivery of office furniture - phase two: The bid process for the purchase of office furniture in respect of the 2010/11 financial year has been done (see copies of the minutes attached). The purchasing was done in two phases in order to accommodate cash flow. Only the two companies that were successful during the bid committees were appointed.	According to the tender evaluation report submitted, BMK Electronics was disqualified as the tendered amount fell outside the parameters of the procurement policy. Therefore the appointment of BMK Electronis remains irregular. Management did not submit copies of the bid evaluation report. Per inspection of the tender file there was not mention in the original bid specifications that the tender will be split into phases. We were only able to confirm the appointment of Forms Media Independent. Therefore the appoinment of Nothoka Business Enterprise remains irregular.	Div Man: SCM to ensure adequate record keeping of the full tender process.	CFO/ Accountant Supply Chain Management	Monthly	
O47	Audit report	H	Irregular expenditure - Tenders advertised for less than 14 days without any justification (EX.63)	The accounting officer must ensure that all adverts for the tenders with a value of more than R200 000 are advertised for a period of at least 14 days.	Partially agree:Construction of storm water detention pond - tender was advertised for 21 days (advertisement attached) Date advertised: 28/01/2011 Site inspection: 04/02/2011 Closing date: 18/02/2011 Interlock paving bricks - the short time was in an attempt to purchase and deliver the material before the end of the 2010/11 financial year.	Inspected documentation attached. Finding remains for no. 2 only.	Ensure that all adverts for the tenders with a value of more than R200 000 are advertised for a period of at least 14 days.	CFO/ Accountant Supply Chain Management	Monthly	
O48	Audit report	H	Cash and cash equivalents - Bank confirmation: Guarantee not properly disclosed in AFS (EX.72)	The CFO needs to review the disclosures in the annual financial statements for the completeness and accuracy thereof by comparing it to the relevant supporting documentation received from external sources from the municipality.	a) Disagree. It is disclosed in note 5. R500 000 was required, but an investment of R800 000 was done instead which now earns interest. Therefore the amount disclosed is correct. b) Disagree. This confirmation refers to the guarantee held by Magalies as disclosed in note 5.	No evidence to contradict the bank confirmation received from ABSA bank was submitted. Finding therefore remains.	Essure that all Guarantee are properly disclosed in AFS	CFO/ Divisional Manager Budget & Reporting	########	To be done at year end
O49	Audit report	H	Terminated employees)It was noted that the following two employees were paid a full salary in the month after their termination and that no steps are in place to recover the overpayment:The following employees did not give the required amount of notice for their resignation and resigned with immediate effect: The following two employees were employed on a two year contract, but were employed at the municipality for a longer period:final amounts paid to terminated employees were not reviewed (signed) by a senior personnel officer	(The Divisional Manager: Expenditure should ensure that:a) terminated employees are not paid in the month following termination. b) all calculations relating to payments made to terminated employees is accurate. The Divisional manager: HR should ensure that:c) all information relating to the employee is filed in the employee's personnel file d) the required notice was not given by all of the employees wishing to resign. e) employees hired on a contract basis are terminated when the contract's term ends	Management response has not been received at the date of this report.	Management response has not been received at the date of this report.	(a) The Div Man: HR and the Div Man: Legal should ensure that overpayments to employees are recovered(b) The Div Man: HR should do everything within her power to ensure that employees that resign work the required period of noticec) The Div Man: HR should ensure that proper records are kept to serve as supporting documentation for employees appointed on contract basis which are then permanently employed. (d) The Div Man: HR should review al final payouts to terminated employees and signed the calculation as proof of review.	Div Manager and Expenditure	end og March 2012	

O50	Man Report	M	Cash and cash equivalents - Stale cheques i.e. cheques older than 6 monhs (EX.73)Creditors are understated with the total of stale cheques	The Divisional manager: Budget and reporting must review the list of outstanding cheques attached to the bank reconciliation on a regular basis to identify all stale cheques that needs to be written back.	Agree. The cheques will be written back.	Management agrees with audit finding.	Div Man: Expenditure and the Div Man: Budget & Reporting should ensure that stale checks are cancelled and written back from the cashbook as part of the monthly reconciliation process.	Divisional Manager: Expenditure & Divisional Manager: Budget & Reporting	Monthly	still in progress not yet complete.
O51	Audit report	H	Cash and cash equivalents - Unexplained difference on bank reconciliation (EX.74)Recalculated cashbook balance on the reconciliation Balance as per the bank statements on 30 June 2011 Difference (10 133 769.25) 1 024 759 11 158 528.25	The Divisional manager: Budget and reporting must review the bank reconciliation on a regular basis to ensure that the reconciliation was accurate and is reconciling.	Disagree. The difference can be explained by the data which forms part of the reconciliation as explained to the AG.	The total for cash suspense accounts included in the bank reconciliation does not agree to the general ledger. The bank reconciliation used in discussions did not correspond to the bank reconciliation that was submitted for audit. Therefore the finding remains.	The Div Man: Budget & Reporting should ensure that the monthly bank reconciliation has no unreconciled differences. All differences should be supported by valid receipts/ vouchers/ bankstatements. Any other incorrect cashbook entries should be corrected each month.	Divisional Manager: Budget & Reporting	Monthly	still in progress not yet complete.
O52	Audit report	M	Cash and cash equivalents - Errors on bank reconciliation (EX.75)The following errors were identified: - Outstanding cheques are deducted instead of added back. - Outstanding deposits are added back instead of deducted. - Reconciling items includes unallocated receipts (i.e. receipts not matched to specific debtor's account)	The Divisional manager: Budget and reporting must review the bank reconciliation at year end to verify that the reconciliation was accurate.	Agree. The bank reconciliation will be corrected.	Management agrees with audit finding.	The Div Man: Budget & Reporting should review the monthly bank reconciliation for reasonableness, mathematical accuracy and do a sensecheck overall.	Divisional Manager: Budget & Reporting	Monthly	still in progress not yet complete.
O53	Man Report	M	Revenue - Rental of facilities and equipment: Various items (EX.76) Many of the agreements obtained have not been amended for more than 1 financial year.The municipality does not have an approved policy.rental agreement not reviewed.Rental agreements where tenants are renting certain properties could not be located.The list of municipal employees renting houses is not complete.tenants were included in the list of municipal employees renting houses, however have terminated their agreements:	The Accounting Officer is required to implement a policy regarding revenue from rentals of facilities and equipment, so as to ensure the effective and efficient administration of revenue received.	The situation can be rectified as follows: - All the houses must be valued and rented out according to market value. - As staff members were allocated to rent these houses during time of control of Department of Social and Community Services, in a rather haphazard way, it has become necessary to adopt the following: a. standard contract for all b. do away with the one year term and make it 30 days notice on both parties. c. develop a policy for hiring out houses to staff members d. appoint somebody with a definite job description that can monitor the implementation of the policy. e. the contract management section in budget and treasury should monitor the situation on a monthly basis to see who has relocated a house and then adjust their records. This section must also liaise closely with official denoted in d above.	Management agrees with audit finding.	HR should ensure that a policy is put in place for rental facilities. . It should also specify the periods of contracts and the frequency at which contracts and tariffs will be reviewed. . The Div Man: Expenditure should ensure that employees renting from the municipality rental is taken from their payslips. This should be reviewed monthly as part of the payslip recon.The Div Man: HR should ensure that signed documentation for employees rental agreements and their requests to have the rental taken from their monthly payslips are kept on their personell files.	CFO	30-Mar-11	
,	Audit report	H	Consumer debtors: Differences beween age analysis and the AFS (EX.77)	The Chief Financial Officer should reconcile disclosures in the annual financial statements to the financial records of the municipality to ensure proper / appropriate disclosure of financial statement items.	Disagree. Management has reviewed the debtor age analysis reconciliation as used by the AG. It seems like the file has been corrupted as some cells reflect error messages .We will resubmit the reconciliation for the AG to perform procedures before the end of day on 7 Nov 2011.	Management has not submitted its reconciliation at the date of this report. Finding therefore remains unresolved.	The Chief Financial Officer should reconcile disclosures in the annual financial statements to the financial records of the municipality to ensure proper / appropriate disclosure of financial statement items	Divisional Manager: Budget & Reporting	30-Jul-12	

O55	Audit report	H	Trade payables: Inconsistencies / discrepancies in disclosure of trade and other payables from exchange transactions (EX.79)	(a) finding invalid. Div Man: Budget & Reporting should ensure that all opening balances are brought over in the FMS directly after finalisation of the audit report. These balances should then be properly reviewed since one discrepency will have a knock on effect on the next years AFS and audit process.(b) the Div Man: Budget & Reporting should review the disclosure notes to the AFS for consistency and mathematical accuracy. The template to be implemented as said before will assist in the consistent disclosure of prior period errors.	Comparative figures:a) Disagree. The amount of R1 544 679.02 is included in provisions for retentions on the AFS.b) Disagree. To be discussed with the AG on Friday, 21 Oct.Current year figures: Disagree. The differences indicated are calculated per the 2010/11 trial balance.	Comparative figures: a) Comparative figures for retention fees are correctly disclosed at R1 544 679 in the annual financial statements. However, this opening balance is not reflected in the general ledger (opening balance was not brought forward in SEBATA) and the closing balance calculated by SEBATA (i.e. being opening balance + movements) is therefore understated with R1 544 679. As the municipality imports the year end trial balance (i.e. closing balances) in caseware for preparation of the annual financial statements and not the movement for the year the current year figures for property, plant and equipment and trade and other paybles from exchange transactions is therefore understated by R1 544 679. The finding therefore remains. b) Note 34 to the AFS refers: Type Line item 2009/10 Reason for correctionStatement of Financial Position Trade and other payables 921 764 Demand charges were classified as other revenue in the Statement of Financial Performance. This amount should rather be classified as trade and other payables in the Statement of Financial Position. The municipality is liable to provide the service as demanded by the customer as per an official quote. Amounts received in advance will be used to fund expenditure in order to provide the service. Services are not provided with the intend to realise a profit. Provisions -12 136 816 The provision for landfill site was understated with R12 136 816. The municipality obtained the new valuation form an accredited service provider. Accumulated surplus 12 136 816 The provision for landfill site was understated with R12 136 816. The municipality obtained the new valuation form an accredited service provider.Statement of Financial Performance Other revenue -921 764 Demand charges were classified as other revenue in the Statement of Financial Performance. This amount should rather be classified as trade and other payables in the Statement of Financial Position. The municipality is liable to provide the service as demanded by the customer as per an official quote. Amounts received in advance will be used to fund expenditure in order to provide the service. Services are not provided with	(a) finding invalid. Div Man: Budget & Reporting should ensure that all opening balances are brought over in the FMS directly after finalisation of the audit report. These balances should then be properly reviewed since one discrepency will have a knock on effect on the next years AFS and audit process.(b) the Div Man: Budget & Reporting should review the disclosure notes to the AFS for consistency and mathematical accuracy. The template to be implemented as said before will assist in the consistent disclosure of prior period errors.	Divisional Manager: Budget & Reporting	30-Jul-12	

						the intend to realise a profit. Due to inconsistent application it is not clear whether "()" refers to "line items credited with the error" or "the balance of line items reduced with the error". Current year figures The heading of the column "2009/10" incorrect, should be "2010/2011". Management did not comment on the difference between the trial balance and the amount disclosed in the annual financial statements. The finding therefore remains.				
O56	Audit report	H	Trade payables: Difference between accrual listing and trial balance (EX.81) List of accruals submitted for audit (931 822.96) Debit balance as per SEBATA trial balance 959 306.19 Difference 1 891 129.15	The accounting officer should ensure that figures presented in the financial statements agree to the supporting schedules.	Agree. The balance of accruals at 30 June 2011 should be R1 062 278.17 - per list submitted.	The list submitted for audit purposes amounted to R931 822.96 - new list has not been submitted with management's response. Finding therefore remains.	The Div Man: Expenditure should keep a list at year of any invoices which are dated before 30 June, but which are processed and paid after year end. This will be the accrual listing that has to be manually provided for with a journal at year end and then reversed again after year end.	CFO and Div man B/R	30-Jun-12	
O57	Audit report	H	Unauthorised expenditure: Conditional grants not cash backed.Allocations spent otherwise than in accordance with the conditions of that allocation constitutes unauthorised expenditure.	The accounting officer should implement proper measures to ensure that allocations received are not spent for purposes other than what it was intended for. Seperate bank accounts should be opened for each conditional grant received by the municipality.	Agree. Due to human error the journal for allocating funds from the DME unspent grant to income was not processed. The grant was spent in total, but the unspent balance did not indicate this. Please see attached the calculation for allocating money to income as well as a proposed journal to correct the GL and AFS.	Management's response confirmed by inspecting general ledger votes for projects funded by the DME grant. Unspent conditional grants and revenue is understated with R2 931 336.	Separete Grant bank account should be opened.	CFO/ Divisional Manager: Budget & Reporting; Divisional Manager: Expenditure	30-Jun-12	Done.
O58	Audit report	H	Trade receivables – Inconsistencies / discrepancies in disclosure of consumer debtors (EX.83) total as per SEBATA trial balance -67 962 677.46 Total as per annual financial statements -70 746 878.00 Difference 2 784 200.54Total as per SEBATA trial balance 82 000 665.48 Total as per annual financial statements 81 944 263.00 Difference 56 402.48	The Chief Financial Officer should reconcile disclosures in the annual financial statements to the financial records of the municipality to ensure proper / appropriate disclosure of financial statement items.	Provision for bad debts: Disagree. The balance indicated here is for 2010/11 year and not for 2009/10. Consumer Debtors: Disagree. Please see attached the reconciliation on above votes to indicate only 1 difference. The rest are all in balance. Please review whether the source data worked from are correct since Sebata gave reporting errors during the request for information phases.	Provision for bad debts: Column heading incorrectly shown as 2009/10 instead of 2010/11, however, the difference between SEBATA and the AFS were not addressed in management's response. Finding therefore remains unresolved. Consumer debtors: Reconciliation submitted together with management's response inspected, management identified same misstatement however the error was not addressed. Finding therefore remains unresolved.	Div Man: Budget & Reporting should ensure that no differences for any votes occur between the AFS and the GL. If differences occur, it should only relate to disclosure requirements and should be easily explainable.	Divisional Manager: Budget & Reporting	30-Jul-12	still in progress not yet complete.
O59	Audit report	H	Irregular expenditure - Awards made to persons in the service of the municipality with out declaring interest (EX.84)	The Accounting officer should ensure that all suppliers declare their interest prior to procurement of goods and services	All the quoted officials had companies before joining this employer organization.Noted: Management will request officials to declare their interests.	Management agrees with audit finding.	Related party disclosures should be supplied for each application to the supplier database. These related party disclosures should be reviewed annually. A schedule should be kept to list all transactions with related parties during the year. Transactions with related parties should be approved by the MM. All these transactions should then be seperately disclosed in the AFS.	CFO/ Accountant Supply Chain Management	ongoing	

O60	Audit report	H	Irregular expenditure - Awards made to persons in the service of the state (EX.85)	The Head of Supply chain did must ensure during the procurement process that contracts were not awarded to persons who are in the service of the state.	The municipality does not currently have the CAAT SYSTEM in place, to identify people in the employ of the state. Efforts will be made to procure a similar system to assist in this regard.	Management agrees with audit finding	Related party disclosures should be supplied for each application to the supplier database. These related party disclosures should be reviewed annually. A schedule should be kept to list all transactions with related parties during the year. Transactions with related parties should be approved by the MM. All these transactions should then be seperately disclosed in the AFS.	CFO/ Accountant Supply Chain Management	ongoing	
O61	Audit report	H	Irregular expenditure - Original tax clearance not submitted by the winning providers (EX.86)	The Chief Financial Officer must ensure that original tax clearance certificates are obtained before the awarding of any contract.	Disagree. Copies of tax clearances attached herewith	Per the SCM Regulations, original tax clearance certificates must be obtained. For the following suppliers, only copies of tax clearance certificates were submitted: - Mhofu Telecommunications Services - Motagane Chem Works (tax clearance certificate does not have the SARS watermark - validity cannot be established) For the following suppliers, only the application for tax clearance was submitted: - Water Front Signs CC For the following suppliers, tax clearance certificates submitted expired before the date of the award: - Multi Layer Trading - Managed Care Economical Solutions - Mohapi Sewing Fashion Design Finding remains unresolved.	Div Man: SCM should ensure that valid tax clearances (originals) are kept with Records. These tax clearences should be reviewed for expiry before invoices for these suppliers can be paid.	CFO/ Accountant Supply Chain Management	ongoing	
O62	Audit report	H	Expenditure - Difference between the actual amount incurred and the amount disclosed on the Financial Statements (EX.88).The following difference was identified between disclosures in the statement of financial statements: Amount as per disclosure note 21 Amount as per the disclosure note 28 Variance 111 363 30 090 81 273	The Chief Financial Officer should reconcile disclosures in the annual financial statements to the financial records of the municipality to ensure proper / appropriate disclosure of financial statement items.	Agree, however reasons will be provided about the variance.	Management agrees with audit finding	The Chief Financial Officer should reconcile disclosures in the annual financial statements to the financial records of the municipality to ensure proper / appropriate disclosure of financial statement items.	CFO	During the Ptreparation of the financial Ststements	

O63	Man Report	M	Trade payables - Difference between unspent grant and the amount transferred to creditor at year end (EX.89)	The Chief Financial Officer should reconcile disclosures in the annual financial statements to the financial records of the municipality to ensure proper / appropriate disclosure of financial statement items.	Agree, however reasons will be provided about the difference	Management agrees with audit finding.	Div Man: Budget & Reporting should review the AFS for consistency in disclosures.	CFO	During the Ptreparation of the financial Ststements	
O64	Audit report	H	Predetermined objectives - Information not provided (EX.90)	Documents be provided as per agreed time Frame	Management has not submitted their response at the date of this report.	Management has not submitted their response at the date of this report.	Documents be provided as per agreed time Frame	All	within an agreed time with AG	
O65	Audit report	H	Property, plant and equipment - Inaccurate fixed assets register	The accounting officer should ensure that an accurate fixed asset register is maintained and control mechanisms with regard to the safeguarding of fixed assets strengthened - with a specific emphasis on monthly fixed assets reconciliation and the review (and signing as evidence thereof) of the fixed assets register and the reconciliation prepared.	Management agrees. A human error was made when all the totals were calculated. Therefore certain subtotal balances were duplicated in the total. The totals were recalculated and the journals for correction are available.	Detailed workings were not submitted. We were therefore unable to determine the accuracy and appropriateness of correcting journals.	Div Man: Budget & Reporting should review the FAR for mathematical accuracy. The enitre FAR should be reviewed for casting errors and mathematical problems. Then the impact of the changes should be reconciled to the GL and correcting journal entries made.	Divisinal manager B/R	Mar-12	
O66	Audit report	H	Property, plant and equipment - Fixed assets register does not agree to general ledger (EX.92)	The accounting officer should ensure that awareness, understanding and capacities of employees who ought to perform the monthly fixed assets reconciliations are raised, and control mechanisms are strengthened - with specific emphasis on the review (and signing as evidence thereof) of the monthly fixed assets reconciliation.	Management is in agreement A human error was made when all the totals were calculated. Therefore certain subtotal balances were duplicated in the total	Management's response does not address the finding i.e. difference between the fixed asset register and the general ledger.	After the FAR was reviewed for errors within the FAR itself, a reconiliation should be done between the FAR and the GL and correcting entries made.Div Man: Budget & Reporting should ensure that the FAR balances to the GL on a monthly basis. These recons should be printed and signed as proof of review.	Divisinal manager B/R	Mar-12	
O67	Man Report	*M*	Property, plant and equipment - Completed projects not recorded in the fixed assets register	The Divisional manager: Budget and reporting must ensure that all the completed projects were accounted for in the fixed asset register	Disagree. Please refer to submission with COF 31. These projects are extensively reconciled in the project register. It was also capitalized with proposed journals. It should be noted that VIP Toilets: Rapotokwane belong to community and maintained by them, therefore can capitalized in the asset register	Insufficient documentation was submitted with management's response to allow re-performance. Finding remains.	Div Man: Budget & Reporting should ensure that the project reigster gets updated monhtly with progress and retention accruals made. At year end the projects completed should be included as a completed project in the FAR with one total amount. Any projects in progress should be included in the FAR as work in progress. Management should receive training on the accounting and FAR additions methods for projects. Training should also be provided on the calculation of retention accruals and retention pay outs	Divisinal manager B/R	Mar-12	
O68	Man Report	M	Revenue - Rental deducted does not agree to the rental agreement (EX.94)	It is recommended that deductions made for rental should be in line with the amount stipulated in the rental agreement.	391- agree with the findings the employee entered into the agreement on the 14/03/2011 and started staying there from the 01/04/2011 but this contract was send to human resource/payroll office on the 01 July 2011.428-425-429 disagree with the findings please see attached documents as per agreement made to pay the arrears on the service account and rental account. (Please see attached)	Documents were not attached to management's response. Finding remains unresolved	HR should ensure that a policy is put in place for rental facilities.The Div Man: Expenditure should ensure that employees renting from the municipality rental is taken from their payslips. This should be reviewed monthly as part of the payslip recon.	Div Manager Council Admin	Mar-12	

O69	Audit report	H	Accumulated surplus or deficit - Prior year error not accurate.Demand charges amounting to R921 764.00 with regard to consumer deposits have been reclassified to be part of Trade and other payables from the incorrect classification as Other income in the prior year. However, there is no evidence that the expenditure incurred in meeting those demand charges has been taken into account in correcting the prior year error	The financial statements and other information to be included in the annual report should be reviewed by the Chief Financial Officer for completeness and accuracy prior to submission for audit.	Disagree. This single vote is used to account for the receipts and the expenditure. Therefore the expenditure was taken into account.	Management response was noted. However no supporting documentation was submitted to to substantiate management's response and therefore the finding remains.	A monthly reconciliation should be done for demand charges: both in terms of money received and the relevant expenditure thereof. Management should be able to provide significant proof and explanation of who money was received from and which ependiture relate to which consumer. This process should be driven by Div Man: Revenue and Div Man: Expenditure. Proof should be provided by the relevant departements, i.e. Water, electricity etc.	Divisional Manager B/R	During the Preparation of the financial Statements	
O70	Man Report	M	Management comments not received for variances.Management comments could not be obtained for material variances/fluctuations between the current year and prior year general ledger account balances identified with regard to the following: a) Fixed assets b) Depreciation and impairment c) Inventories d) Accumulated surplus of deficit e) Provisions f) Value Added Tax	The accounting officer should ensure that awareness, understanding and capacities of employees who ought to provide the required explanations of variances are raised, and control mechanisms are strengthened in order for the required information to be provided on time.	Management's response outstanding at the date of this report.	Management's response outstanding at the date of this report.	Management should understand the nature of expenditure and causes for fluctuation. In this case it was difficult to determine the exact fluction but it was evident that fixed assets variances were due to the unbundling. T	CFO	30-Jul-12	
O71	Audit report	H	Value Added Tax - VAT declared not agree to general ledger	The Divisional manager: expenditure must ensure that a VAT reconciliation was performed on a monthly basis.	Disagree. There were some transactions on the system that attracted Vat, but the system did not take Vat into account, so when preparing or calculating the Input tax or Output tax to be recorded or filled in the VAT 201 returns such VAT was taken into consideration, as a result the VAT Control account on the General Ledger could not agree to the information as submitted to SARS, but the Journals relating to VAT for the whole of 1011 financial period were prepared to compensate the difference.In other instances the Tax invoices were not in accordance with the applicable VAT Act.i.e.Section 20. Various suppliers were contacted to rectify invoices that do not conform with the requirements of the Act, the response on their side was not that prompt, as results some invoices that were invalid were only claimed when they were corrected by relevant supplier. Section 16(2) – "No deduction of input tax shall be made in terms of this Act in respect of a supply or the importation of any goods into the Republic, unless-a)	Management response was noted. However as the differences were not corrected the finding remains.	Maxprof to perform monthly reconciliations between VAT control votes and returns submitted.Eventhough a big recon for the year per GL vote was done, no recon was done for the VAT control account. This should be prioritised since the unexplained difference between the VAT 201 returns and the control votes is material.	Divisional Manager: Expenditure	30-Mar-11	

					a tax invoice or debit note or credit note in relation to that supply has been provided in accordance with section 20 or 21 and is held by the vendor making that deduction at the time that any return in respect of that supply is furnished;"					
O72	Man Report	M	Value Added Tax - VAT declaration not completed and sent to SARS on time	The Divisional Manager: Expenditure must ensure that all VAT returns is submitted on time every month.	Challenges with SARS when the Municipality registered on eFiling for VAT purposes; the Municipality could not retrieve the returns on the SARS system, numerous calls or attempt were made to SARS call centre to resolve the problem. SARS call centre promised to rectify the problem on time but it was not the case. The problem was only resolved after the due date(s) for some of the returns. The returns were submitted after the problem had been sorted with SARS thus submitted late.	Management response noted. However the finding remains as the return was submitted late.	CFO and Div Man: Exp should ensure that all VAT returns are submitted on time. This finding was valid even though explanation could be provided, and eventhough it was outside of the municipality's control. Control finding. Any penalties and interest paid due to late payment of VAT/ PAYE will be classified as fruitless and wasteful, and should therefore be avoided at all cost.	CFO	Before the end of the Financial year	
O73	Man Report	M	Grants and subsidies: Difference between amounts disclosed in the notes to AFS, and grant reconciliation (EX.103)	The accounting officer of the municipality will be required to perform reconciliations of the disclosures in the annual financial statements to the financial records of the municipality to ensure proper / appropriate disclosure of financial statement items.	Agree. Please see attached for the reconciliation and proposed journals to correct.	Management agrees with the finding. Inspected the DWAF grant reconciliation submitted as well as the proposed adjustment journals. Adjustments should be passed and annual financial statements corrected.	Div Man: Budget & Reporting should ensure that all steps of the grant accounting process have been followed. This finding was due to the ommision of final step to allign income and expenditure incurred during the year. Management to receive training in grant accounting.	Divisional Manager: Budget & Reporting	30-Mar-11	still in progress not yet complete.
O74	Man Report	M	Bonitas membership.During the audit of trade and other payable we noted that Bonitas Member incorrectly classified as other payables.	The CFO should review the financial statements to ensure that balances are properly classified.	Disagree. The vote should be inactive. The transactions reflected in the vote should have been posted to the Salary and wages suspense vote, which has a vote number quite similar to this one. Due to human error these transactions were posted to the incorrect vote. Please see attached the reconciliation and proposed journals to correct.	Management response was noted. However the finding remains as the balance is still misstated.	Payroll recons will monthly resolve this issue. DIv Man: Exp.to be jornalised to salary control vote	Divisional Manager: Expenditure	30-Mar-11	

O75	Audit report	H	No controls over demand charges	The Divisional Manager Expenditure should ensure that a register is kept for demand charges and that it is recognised as revenue as soon as goods or services are delivered.	a) Agree. Management has provided the supporting documentation in terms of quotations and cash receipts for the amounts in the GL. Management notes that no report with the status and progress has been done, this will be implemented as part of the audit action plan.b) Disagree. The money received should be used to cover expenditure in order to install custom requirements by certain consumers. The intent is not to earn profit. Therefore the vote is used for both the receipts from consumers and the expenditure. If a credit balance remain, it has to be disclosed under trade and other payables since the money should be refunded to the consumer if not used. Should the balance be in debit, it will be disclosed under trade and other receivables since the municipality can invoice the consumer for the additional costs incurred.	Management's response was noted. However the finding remains as no supporting documentation was provided for this finding.	A monthly reconciliation should be done for demand charges: both in terms of money received and the relevant expenditure thereof. Management should be able to provide significant proof and explanation of who money was received from and which ependiture relate to which consumer. This process should be driven by Div Man: Revenue and Div Man: Expenditure. Proof should be provided by the relevant departements, i.e. Water, eletricity etc.	Divisional Manager Revenue & Divisional Manager Expenditure	Feb-12	
O76	Man Report	M	Prior year balances not cleared within twelve months	The Divisional Manager expenditure must review creditors control account and annual financial statements to ensure that balances brought forward is not classified as trade payables and is cleared and reclassified as part of non-current liabilities.	Agree. The vote will be reclassified as a non-current liability.	Management agrees with the auditor's finding.	All trade paybles votes to be reviewed in detail in cleaned up. After investigation of the specific trade payable votes, it was found that 95% of transactions in these votes have been incorrectly captured to these votes. Issues go as far back as 2007.	All Divisional Managers @ Budget & Treasury	30-Mar-11	
O77	Audit report	H	Depreciation and impairment - Depreciation charge inaccurate	Manual or automated controls should be designed by the Divisional Manager: Budget and Reporting to ensure that the transactions have occurred, are authorised, and are completely and accurately processed	Management response is still outstanding at the date of this report.	Management response is still outstanding at the date of this report.	Div Man: Budget & Reporting - the asset management policy should be reviewed annually. Currently the useful lives should be updated since the policy do not cater for all categories of assets and some useful lives are impractical. Useful lives should be aligned to the current FAR.	Divisional Manager: Budget & Reporting	30-Mar-11	draft policy was done and still to be submitted to Council
O78	Audit report	H	Inventories - No evidence of review of the water valuation report	The accounting officer should ensure that awareness, understanding and capacities of employees performing stock counts and valuations are raised, and control mechanisms are strengthened - with a specific emphasis on the review (and signing as evidence thereof) of the reports generated	Disagree. A copy of the count sheet as reviewed by the Head of the Water Department will be submitted	Management's response was noted. However no supporting documentation was provided and therefore the finding remains.	Div Man: Water should ensure that water inventory is counted at year end. The AG should be invited to attend this inventory count. The count sheet should be reviewed and signed by Div Man: Water/ Technical Services and the Div Man: Budget & Reporting.Management should ensure that water quantities in the pipes are included in the valuation of water inventory.	Divisional Manager: Water & sanitation + Divisional Manager Budget & Reporting	30-Jun-12	

O79	Audit report	H	Property, plant and equipment - Purchased assets not recorded in the fixed assets register	The accounting officer should ensure that awareness, understanding and capacities of employees who ought to perform the monthly fixed assets reconciliations are raised, and control mechanisms are strengthened - with specific emphasis on the review (and signing as evidence thereof) of the monthly fixed assets reconciliation	Disagree. The amounts highlighted in yellow can be traced to the project register. The asset register submitted indicate the totals for each project, but the project register will assist with individual payments made for each project. For further queries on the asset register, please refer to the asset register submission done with COF 31.The selected items are in the fixed assets register and can be confirm by the auditors. Find the attached as part of evidence.Find the attached as proof of the assets register	Management response was noted. However the information was submitted after due date and therefore there was not sufficient time available for the auditor to verify the information.	Div Man: Budget & Reporting should ensure that the project register gets updated montly with progress and retention accruals made. At year end the projects completed should be included as a completed project in the FAR with one total amount. Any projects in progress should be included in the FAR as work in progress.	Divisional Manager: Budget & Reporting	30-Mar-12	still in progress not yet complete.
O80	Audit report	H	Property, plant and equipment - No list of disposals provided	The Divisional Manager: Budget and Reporting must ensure that proper supporting documentation was kept for the disposals in the fixed assets	Disagree, this has been updated with the reconciliation between the FAR and the AFS.	Management response noted. As agreed with management a list would have been provided, but as no such list has been provided the finding remains.	Div Man: Budget & Reporting should ensure that a list of disposals and a list of additions for all assets are kept on a monthly basis. All of these assets should be removed/ added respectively form the municipality's insurance policy on a monthly basis to prevent financial losses.	Divisional Manager: Budget & Reporting and Divisional Manager: Expenditure	30-Mar-12	still in progress not yet complete.
O81	Man Report	M	Property, plant and equipment - Municipal land not included in rateable valuation reconciliation provided	The financial statements and other information to be included in the annual report should be reviewed for completeness and accuracy by the Chief Financial Officer prior to submission for audit.	DISAGREE – Land is Classified as PPE The municipality may not hold or control the rights to assets. – Please provide details of this comment.	Management does not address the finding. According to the rateable valuation reconciliation / valuation roll - no properties are registered in the name of the municipality. We were therefore unable to confirm completeness of land recorded in the asset register.	The financial statements and other information to be included in the annual report should be reviewed for completeness and accuracy by the Chief Financial Officer prior to submission for audit.	Divisional Manager B/R	Mar-12	still in progress not yet complete.
O82	Man Report	M	Property, plant and equipment - Inadequate physical asset count procedures	The Divisional Manager: Budget and Reporting must ensure that proper asset count procedures are in place for the asset physical asset verification.	Disagree. The municipality has done an unbundling of assets during the current year. Therefore all assets, including the moveable assets were counted and verified extensively.	Management response noted. However it was found that the asset count procedures that was provided to the auditors did not contain procedures for immovable assets.	Physical asset count procedures be developed	Divisional Manager B/R	Mar-12	still in progress not yet complete.
O83	Man Report	M	Property, plant and equipment - Incomplete fixed assets disclosures in the financial statements.The municipality did not disclosed in the financial statements the existence and amounts of any restrictions on title and property, plant and equipment pledged as securities for liabilities; the amount of expenditures recognised in the carrying amount of an item of property, plant and equipment in the course of its construction; the amount of contractual commitments for the acquisition of property, plant and equipment.	The annual financial statements should be reviewed by the Chief Financial Officer for the completeness and accuracy thereof before it is submitted for audit.	Disagree. No restrictions/ pledges on municipal property exist for the year under review. Therefore none were disclosed. The project register indicate all capitalized expenditure during the course of construction. Commitments register is kept by PMU, but Management note the recommendation to include commitments in the FAR as well.	Capital commitments were not disclosed. Finding remains.	a schedule of commitments should be kept on a rolling basis by PMU. This should include all projects contracted for and all projects planned but not yet contracted for, split into these categories. This schedule should also be included in the AFS at year end. any restrictions/ pledges on ppe should be indicated with the respective asset in the FAR (insert an additional column)	PMU & Divisional Manager: Budget & Reporting	30-Jun-12	still in progress not yet complete.

O84	Audit report	H	Irregular expenditure - Non compliance with SCM reg 13(c) (EX.120).For expenditure with a value between R10 001 to R30 000, no indication was given that the winning supplier provided the municipality with a declaration in terms of SCM Reg 13(c).	A database of interests declared by prospective suppliers and SCM officials should be compiled to which the winning provider can be cross referenced to identify whether or not conflicts exists in the case of the quotation system.	Agreed. In terms of section 13 (c) of the SCM, the suppliers should indicatea. whether he or she is in the service of the state, or has been in the service of the state in the previous twelve monthsb. if the provider is not a natural person, whether any of its directors, managers, principal shareholders or stakeholder is in the service of the state, or has been in the service of the state in the previous twelve months; orc. whether a spouse, child or parent of the provider or of a director, manager, shareholder or stakeholder referred to in subparagraphd. It should further be noted that the municipality does not currently have a computer system that would detect whether a particular service provider is in the employ of the state.e. Possibilities of procuring such a system will be pursued.	Management agrees with audit finding	All procurements for 2011/12 should be reviewed for irregularity. Where possible the necessary documentation should be obtained and should be included with the voucher documents. - Div Man: Exp should any expenditure be found that is irregular that cannot be rectified, a list of such transactions should be kept with the CFO. THese transactions then have to be disclosed seperately as part of the AFS.	CFO/ Accountant Supply Chain Management	30-Mar-12	
O85	Audit report	H	Non compliance with SCM Reg 36(2) (EX.121)deviations from Supply Chain Management Regulations were not reported to council nor were it included as a note to the annual financial statements:	Deviations from Supply Chain Management Regulations must be recorded in a register. All devaitions should be reported to council and should be disclosed in a note to the annual financial statements.	This query has already been addressed on COF 42. Agreed A deviation register has been implemented with effect from the FY2011/12. Reports on deviation will be submitted to Council Sub-Committee on a quarterly basis.	Management agrees with audit finding	All deviations from supply chain have to approved by the MM and then reported to council. All deviations for 2011/12 to be reviewed and all reported to council. - Div Man: SCM A deviation register to be implemented to ensure a complete list of deviations are readily available. these transactions also have to be reported seperately in the AFS. - Div Man: SCM	CFO/ Accountant Supply Chain Management	30-Mar-12	
O86	Audit report	H	Irregular expenditure - Non compliance with the PPPF Regulation 3 & 7 (EX.122)The following discrepancies were noted with regards to expenditure with a value between R30 001 and R200 000 a) No evidence could be obtained that the request for quotations stipulated that the 80/20 preference point system will be used to evaluate quotations for expenditure with a value between R30 001 and R200 000. b) No evidence could be obtained that the 80/20 preference point system was used to evaluate quotations received for expenditure with a value between R30 001 and R200 000.	Quotations received for expenditure with a value between R30 001 and R200 000 must be evaluated using the 80/20 preference point system. The process must be documented and attaced to the payment vouchers. The request for quotations should stipulate that the 80/20 preference point system will be used to evaluate the quotations submitted by prospective suppliers.	Agreed, the lowest quote was approved for quotations which were not sourced on a seven day notice. Point scoring is currently being done on all RFQ for between R30 000 and R200 000.	Management agrees with audit finding.	the 80/20 preference point system to be implemented and applied to procurements between R30 001 and R200 000. - Div Man: SCM All transactions already processed during 2011/12 to be reviewed to try to implement the system on previous transactions as well. - DIv Man: SCM	CFO/ Accountant Supply Chain Management	30-Mar-12	

O87	Audit report	H	Irregular expenditure - Goods were not procured through a competitive bidding process.The following expenditure, in excess of R200 000 were not procured through a competitive bidding process.	Suppliers should be sourced through a bidding process for all expenditure in excess of R200 000.	a) Lezmin: This was a deviation approved by the Accounting Officer. Refer to (4) above in respect of deviation register.b) Nothoka Businees Enterprise: Supply and delivery of office furniture - phase two: The bid process for the purchase of Office furniture in respect of the 2010/11 financial year has been done (see copies of the minutes attached). The purchasing was done in two phases in order to accommodate cash flow. Only the two companies that were successful during the bid committees were appointed Therefore municipality disagree with the findingName: Ludick MatwalanaPosition: Acting CFODate: 18 November 2011	Lezmin - Management's response noted. All though the deviation was approved, the deviation was not due to circumstances set out in SCM Reg 36(1)(a). Contract therefore irregular. Nothoka - Per inspection of the tender file there was not mention in the original bid specifications that the tender will be split into phases. We were only able to confirm the appointment of Forms Media Independent. Therefore the appointment of Nothoka Business Enterprise remains irregular.	All deviations from supply chain have to be approved by the MM and then reported to council. All deviations for 2011/12 to be reviewed and all reported to council. - Div Man: SCMA deviation register to be implemented to ensure a complete list of deviations are readily available. these transactions also have to be reported seperately in the AFS. - Div Man: SCM	CFO/ Accountant Supply Chain Management	30-Mar-12	
O88	Audit report	H	Non compliance - Bid specification committee (EX.124).Through inspection of the municipality's tender files, no evidence could be obtained with regards to: a) The appointment / composition of a bid specifications committee. b) Specifications were approved by the accounting officer prior to publication of the invitation of the bids.	Bid specification committees should be appointed for each bid. Appointment letters, minutes of meetings and approval of bid specifications should be filed on the respective tender file.	Disagree, In terms of section 27 of the SCM Policy, The bid specification committee must be composed of one or more officials of the municipality or municipal entity, preferably the manager responsible for the function involved, and may, when appropriate, include external specialist advisors such as consultants. Currently the manager responsible for the function involved submits Specifications to the Accounting Officer for Approval.	No evidence to support management's response was submitted and / or included in the tender files. Finding remains.	Bid specification committees should be appointed for each bid. Appointment letters, minutes of meetings and approval of bid specifications should be filed on the respective tender file.	CFO	ongoing	
O89	Audit report	H	Non compliance - Register of bids received on time not maintained (EX.125) a) For the following tenders, no register of bids received in time were included in the tender file: b) The municipality does not publish the register of bids received in time and the bid results on the website of the municipality.	The accounting officer must ensure that the requirements of the Supply Chain Management Regulations are adhered to.	Disagree. The register of all bids received is available for inspection at Records office	The respective registers were not attached to management's response.	Register of bids received should be implemented and kept on file. REgisters for bids already processed during 2011/12 should also be done retrospectively - Div Man: SCM Div Man: SCM and Div Man: IT to ensure that bid registers and bid results be published on the website. This situation should be rectified for bids already processed during 2011/12.	CFO/ Accountant Supply Chain Management	30-Mar-12	
O90	Audit report	H	Non compliance - Composition of the bid adjudication committee (EX.126).CFO in attandance	The bid adjudication committee must be composed as stipulated by the Supply Chain Management Regulations.	Bid 9/3/1/57: Meter Reading services: Disagree, the Budget & Treasury was represented by a Manager: Expenditure, on behalf of the CFO. See attendance register. Bid 9/3/1/61: New Testing Ground: Agree, the Budget & Treasury was represented by a Manager: Expenditure at the Evaluation, and the CFO was not available during the adjudication process, and the HOD: Corporate Services was the chairperson.	Noted. However, management should comply with SCM regulations in all instances. Finding remains.	CFO should keep adequate supporting documentation/ memo's approved for acting managers. This will serve as proof that the SCM regulations were followed.	CFO/ Accountant Supply Chain Management	30-Mar-12	

					Refer to the attached evidence					
O91	Audit report	H	Irregular expenditure - Original tax clearance certificates not obtained for expenditure in excess of R200 000 (EX.127)	The Chief Financial Officer must ensure that original tax clearance certificates are obtained before the awarding of any contract.	Disagree. The bid documents which were inspected by the auditors contains only copies of the tax clearance. The Original documents are kept at Records, and are available for inspection.	Management's response was submitted after audit team was finalised with execution and no longer at the municipal premises, we were therefore unable to confirm that original tax clearance certificates are available.	The Chief Financial Officer must ensure that original tax clearance certificates are obtained before the awarding of any contract.	CFO	ongoing	
O92	Audit report	H	Irregular expenditure - Evaluation of bids (EX.128)we were unable to recalculate the scores as not all the qualifying suppliers' bid documentation is kept on file:we were unable to recalculate the scores as the quotations per server was not included in the bid file:we were unable to recalculate the scores as no evidence could be found on the tender files with regards to the evaluation and adjudication of bids. No minutes of meetings were filed on the tender files:	Detailed records must be kept of procurement processes.	a. The qualifying bidders' documentation are available together with the minutes, in the relevant file, "Meter-Reading Services".b. The qualifying bidders' documentation are available together with the minutes, in the relevant file, "Tender: Servers".c. Minutes of the relevant bid, "Upgrade of Bela Bela Waste Water Treatment Plant" already submitted. Hereby re-submitted again.d. Point Scoring on Annexure 2, As per the Evaluation report, see copy attached.e. Agreed, the error is confirmedf. It should be noted that this documents were provided during the audit.Name: Ludick MatwalanaPosition: Acting CFODate: 18 November 2011	a) The information was not in the tender file that was submitted for audit resulting in the finding. No new information has since been submitted - finding remains. b) The bid documents were included in the tender file, however the quotations per server that was used in the final evaluation was not included in the tender file that was submitted for audit resulting in the audit finding. No new information has since been submitted - finding remains. c) & d) Management's response noted, however, at the time of this response (submitted after completion of execution) the tender file had been returned and is not available to recalculate the scores - finding remains. e) Management agrees with audit finding. f) We audited all the documents / information that was submitted to us. Based on out audit these findings were raised.	Div Man: SCM should ensure that all bid documentation and quotes are kept on file. Adequate record keeping is crucial with SCM to avoid irregular expenditure classification.	CFO/ Accountant Supply Chain Management	30-Mar-12	
O93	Audit report	H	Non compliance - Construction contracts (EX.129).The municipality did not advertise any of its construction projects on the CIDB website.	The accounting officer should ensure that the municipality complies with the Construction industry Development Regulations for all of their construction contracts.	Municipality cannot agree or disagree with the finding. Construction industry Development Regulation does not form part of Local Government Municipal Finance Management Act, No. 56 of 2003 Regulations which municipality are obliged to comply with. This regulation derives from Public Finance Management Act which is sector department such as public works must comply with. Municipality will engage Public Work and office of the Auditor General in this regard. It should be noted that this	According to the Construction Industry Development Regulations, part III, for a project of which the project value exceeds R200 000.00 and Part IV, in relation to all projects, commence in a municipality classified as a medium capacity municipality in Government Notice No. 733 of 1 July 2004 "Local Government: Municipal Finance Management Act 2003 Delays and Exemptions", on 30 July 2006. Therefore the Construction Industry Development Regulations apply to Bela Bela Municipality	Div Man: Technical to ensure that all construction projects be advertised on the CIDB website going forward. Tender files must include minutes fo the bid adjudication meetings and written proof of the evaluation of bids - Div Man: SCM	PMU and Manager Technical Services	ongoing	

					regulation does not form part of Local Government Municipal Finance Management Act, No. 56 of 2003 Regulations. Name: Mr Nyambeni Position: Manager Technical Services Date: 18/11/2011					
O94	audit report	High	Expenditure – Inconsistencies / discrepancies in disclosure of expenditure (EX.130)	This was due to a duplicated journal for banking fees paid on investment accounts. Div Man: Budget & Reporting to ensure that no journals are duplicated. Journals to be processed centrally by the Div Man: budget & Reporting to ensure proper control over journals. No journals should be passed without a proper authorisation voucher and supporting documents/ calcualtions attached.	Management's response has not been submitted at the date of this report.	Management's response has not been submitted at the date of this report.	This was due to a duplicated journal for banking fees paid on investment accounts. Div Man: Budget & Reporting to ensure that no journals are duplicated. Journals to be processed centrally by the Div Man: budget & Reporting to ensure proper control over journals. No journals should be passed without a proper authorisation voucher and supporting documents/ calcualtions attached.	Divisional Manager: Budget & Reporting	30-Jul-12	still in progress not yet complete.
O95	audit report	H	Revenue – Inconsistencies / discrepancies in disclosure of revenue.Total as per SEBATA trial balance -148,548.52 Total as per annual financial statements -96,802.00 Difference -51,746.52	The Chief Financial Officer should reconcile disclosures in the annual financial statements to the financial records of the municipality to ensure proper / appropriate disclosure of financial statement items.	Disagree. The balances indicated are calculated per the 2010/2011 trial balance.	Correct, the column heading was incorrectly shown as 2009/10. However, management did not address the audit finding.	Journals to be processed centrally by the Div Man: budget & Reporting to ensure proper control over journals. No journals should be passed without a proper authorisation voucher and supporting documents/ calcualtions attached.	Divisional Manager: Budget & Reporting	30-Jul-12	still in progress not yet complete.

O96	audit report	H	Property, plant and equipment – Inconsistencies / discrepancies in disclosure of property, plant and equipment (EX.132)	(The Chief Financial Officer should reconcile disclosures in the annual financial statements to the financial records of the municipality to ensure proper / appropriate disclosure of financial statement items.	a) Disagree. The amount of R1 544 679.02 is included in provisions for retentions on the AFS. Please refer to the attached Caseware Trial balance to confirm. Relevant numbers are highlighted in yellow. b) Disagree. This amount was included similarly in the AFS for 2009/10, which was audited. No change was made during the current year. c) To be discussed with the AG. d) Agree. The AFS will be adjusted to indicate the disclosure for change in estimate. e) Disagree. The differences indicated are calculated per the 2010/11 trial balance.	a) The comparative figures as disclosed in the annual financial statements are correct. However, these opening balances were not brought forward, i.e. was not taken into account upon calculating this year's closing balances. The finding therefore remains unresolved. b) Land and buildings are separate categories per GRAP17 and should be disclosed separately. c) Adjustments resulting from full implementation of GRAP17 needs to be retrospective. The municipality has not discussed proposed adjustments with auditors. d) Workings were not submitted with management's response, we were therefore unable to audit the disclosure. e) The difference relates to current year balances and not comparative figures (column heading incorrectly shown as 2009/2010). Management did not address the reason for the error in their response therefore the audit finding remains unresolved.	(a) Div Man: Budget & Reporting to ensure that all opening balances are brought over correctly. In this case it was due to the new votes used for retentions and was the old retention vote not taken into account by the AG, therefore finding actually invalid. (b) Land to be disclosed seperatly from buildings in the AFS. Classification error, which was also not picked up during the 2009/10 audit. DIv Man: Budget & Reporting to ensure that it is rectified in 2011/12 AFS c) no action required (d) the useful lives as disclosed in the AFS should be adjusted to be aligned with the FAR and the revised asset management policy	Divisional Manager B/R	30-Mar-12	still in progress not yet complete.
O97	Man Report	M	Trade and other receivables from exchange transactions: No movement in account balances.incorrectly classified as current assets in the statement of financial position as this amount was not settled within 12 months of the previous financial year.Incorrect classification of the WDM Fire fighting balance disclosed in the financial statements.	The Chief financial Officer of the municipality should review the dormant debtors accounts disclosed in the financial statements, and ensure that the balances brought forward are correctly classified, and that the amounts outstanding on these accounts are settled timeously.	Management response was not submitted as the date of this report.	Management response was not submitted as the date of this report.	All trade receivable votes to be reviewed in detail and cleaned up. After investigation of the specific trade receivable votes, it was found that 95% of transactions in these votes have been incorrectly captured to these votes. Issues go as far back as 2007.	CFO and Div Manager B/R	Jun-12	

O98	Man Report	M	Receivables: No correspondence relating to debtors handed over to attorneys	The accounting officer will be required to take reasonable steps to ensure that further controls are in place to identify long outstanding debtors by obtaining, inspecting correspondence and performing follow up procedures with attorneys selected by the The accounting officer will be required to take reasonable steps to ensure that further controls are in place to identify long outstanding debtors by obtaining, inspecting correspondence and performing follow up procedures with attorneys selected by the service providers. This will also assist in determining whether debtors should be written-off as irrecoverable.	Management response was not submitted as the date of this report.	Management response was not submitted as the date of this report.	Information should be submitted to AG on time.Audit file to raedy by the end of July	CFO and Div man B/R	Jul-12	
O99	Man Report	M	Property, plant and equipment - Repairs and maintanace costs recorded as fixed assets purchases	The accounting officer should ensure that awareness, understanding and capacities of employees who capture transactions into the accounting system are raised, and control mechanisms are strengthened - with specific emphasis on the review (and signing as evidence thereof) of the journals	Disagree. Separate votes for asset additions and repairs done on existing assets are not available. Therefore all expenditure relating to assets, be it additions or repairs done, are captured in the same votes. At year-end journals are written to disclose additions in balance sheet votes for the AFS preparation. The asset register serves as a live list of additions which can be supported by vouchers recorded in the accounting system.	Management response was noted. However no supporting documentation was submitted to serve as proof of the management response.	With Munsoft management should implement separate votes for asset purchases and repairs/ maintenance of assets. This will significantly ease the process of accoutning and reconciling for these transactions.	Divisional Manager: Budget & Reporting	30-Mar-12	still in progress not yet complete.
O100	Man Report	M	mm	Div Man: Budget & Reporting - the asset management policy should be reviewed annually.	Management response is still outstanding at the date of this report.	Management response is still outstanding at the date of this report.	Div Man: Budget & Reporting - the asset management policy should be reviewed annually. Currently the useful lives should be updated since the policy do not cater for all categories of assets and some useful lives are impractical. Useful lives should be aligned to the current FAR as discussed. As part of the full review of the FAR, depreciation calculations and accuracy should be check. Also the consistency of useful lives used.	Divisional Manager: Budget & Reporting	30-Mar-12	still in progress not yet complete.

O101	Man Report	M	Service Charges: Distribution losses.a) The municipality had only calculated distribution losses for water for the year under review, and no calculation was performed for electricity losses for the year. b) The calculation of distribution losses does not provide for percentage margins to determine whether distribution losses reflect significant fluctuations. c) The calculation does not appear to reflect water allocated and charged to indigent debtors. Distribution losses may not be accurately and completely reflected in the accounting records for the year, as electricity losses were not identified.	The accounting officer of the municipality is required to take all reasonable steps to ensure that distribution losses for the year is calculated for both water and electricity, and that percentage margins are compiled to identify unusual and significant fluctuations, so as to ensure accuracy, completeness and timeously follow up.	Management's response has not been submitted at the date of this report.	Management's response has not been submitted at the date of this report.	Div Man: Technical Services and Div Man: Revenue to ensure that distribution losses are calculated monthly for both electricity and water distribution. Management to receive training in this calculation and a template developed to assist with the technical requirements of the AG.	1.Divisional Manager: Revenue & 2.Divisional Manager: Water & Sanitation	30-Jun-12	

8.5. AUDIT COMMITTEE RECOMMENDATIONS IMPLEMENTED

In 2010/11 Financial Year, Audit Committee held approximately 8 meetings to discuss issues relating to compliance, performance and risk management, internal controls, financial issues and issues raised by internal audit. Audit Committee advised management to implement all issues raised by the Auditor General and also to meet targets as per SDBIP, reviewed the Annual Financial Statements, enforced the issues raised by the Internal Auditor, advised management on compilation of IDP/Budget and Annual Report.

8.6. PERFORMANCE REVIEWS OF MANAGERS

The Municipal Manager and all sec 56 managers signed the Performance Agreements for 2011/12 and were submitted to the MEC of Local Government & Housing and Office of the Premier by August 2011. No Performance Review done in 2010/11 Financial Year.

8.9. INTERNAL AUDIT, ANTI – CORRUPTION AND RISK MANAGEMENT CHALLENGES

8.9.1. INTERNAL AUDIT

The Internal Audit advice management about matters as indicated in sec 165 of MFMA. Amongst others are:

- Internal controls
- Compliance with Acts and regulations
- Performance Management
- Risk management

8.9.2. ANTI-CORRUPTION

The municipality is currently utilizing Presidential Hotline and Premiers Hotline. All complaints are then directed to the municipality for further investigation. A monthly report and progress report is then forwarded to Office of the Premier for consideration.

8.9.3. RISK MANAGEMENT

Policies and register in relation to Risk Management are in place. The municipality has established a Risk Management Committee which meets once per quarter. The Risk Register is quarterly submitted to Audit Committee and recommendations are then submitted to sub-committee for further consideration.

8.10. NEEDS OF THE DESIGNATED GROUPS AND OTHERS (SPECIAL FOCUS)

Bela Bela municipality has established Six Councils, Namely: Arts Council; Sports Council; Aged Council; Traditional Health Practitioners Council; Ministerial Fraternal Council; Disability Council. The Municipality is in the process of revitalizing the HIV/AIDS Council. Youth Council is in currently in the process of being established.

8.10.1. ARTS COUNCIL

- No support from the municipality (Funding)
- No Arts & Culture facilities (Arts Centre)
- Inadequate local market development

- No network in Masakhane, Rapotokwane and Pienaarsrivieis

8.10.2. COUNCIL FOR THE AGED

- During pension pay-out at the Post Office, the following challenges are experienced:
  - Long queue without rest areas
  - No access to toilets
  - No provision of water
  - No shades

8.10.3. SPORTS COUNCIL

- **Events**
  - No motivational events included in the municipal budget (i.e. morality building camps, sports summits, drugs free awareness, mayors cup)
- **Equipments**
  - High shortage of equipments
  - Unavailability of municipal equipments
- **Communication**
  - Limited knowledge of municipal policies
  - Inadequate consultation of IDP/Budget process
  - Non-communication when events are taking place within the municipality.
- **Administration**
  - No access to resources. The Council request an office space to rapidly administer sports without bounderies
  - Limited knowledge of sporting codes by people who take care of the facilities which lead to inconsistence maintenance
  - Unavailability of sports desk at the municipality
- **Facilities**
  - Shortage of facilities ito of indoor sports
  - Refurbishment of existing sports courts at the Bela Bela Community Hall
  - Inadequate development of athletes
  - Limited accessibility of sports facilities including community halls

8.10.4. PEOPLE WITH DISABILITY CHALLENGES

- No support for people living with disability – The municipality must coordinate and facilitate programmes together with the District Municipality
- No mainstreaming/implemantation of people with disability in municipal employment equity plan to reach 2% set by SALGA
- Establishment/identification of education and skills development for people living with disability i.e. leanership, awareness campaigns and workshops
- Housing needs for people living with disability must be considered when constructing RDP houses

8.11. SOURCE OF PARTICIPATION ROUTE

AREA	VENUE	TARGETED WARDS
Spa Park Jinnah Park Informal Settlement (Koppevai) Vengerkraal Bela Bela Town Residential and Urban	Spa Park Community Hall Warmbad Laer Skool	1
Old Location Part of Extension 1 Part Mmampatile Part of Leseding	Bela Bela Community Hall	2
Part of Mazakhela Part of Extension 5	Albert Lethuli Primary School	3
Part of Extension 5 Phomolong (Skierlek) Informal Settlement (Dibang View - Thlalampsa/Donosa) Extension 8	Ponto	4
Soweto Part of Mazhakhela	Bela-Bela High School	5

Part Mmampatile Part of Extension 1		
Part of Leseding Part of Town Residential Informal Settlement (Jacob Zuma View)	Thusanang Primary School	6
Extension 6 Extension 7 Tsakane	Double Story	7
Rapotokwane Piennarsrevier Rust de Venter Lehau	Litho Community Hall Pienarsrevier Community Hall	8
Masakhane	Masakhane Primary School	9

8.12. PROGRESS ON BACKLOG:

MEASURES	2006	2012
WARD COMMITTEES	8 ESTABLISHED	7 OUT OF 9 ESTABLISHED
FUNCTIONALITY	8 OUT OF 8	7 OUT OF 9
MC, EC, SUBCOMMITTEES	FUNCTIONAL	FUNCTIONAL
COM. SATISFACTION SURVEYS	NON-FUNCTIONAL	NON-FUNCTIONAL
WEBSITE	NON-FUNCTIONAL	FUNCTIONAL
IMBIZOS	FUNCTIONAL	FUNCTIONAL
ROLE CLARIFICATION	DONE BUT NOT EFFECTIVE	NOT EEFECTIVE

ENHANCING MONITORING CAPACITY OF COUNCIL		TRAINING DONE BUT NOT ADEQUATE

8.13. CHALLENGES – INSTITUTIONAL PERSPECTIVE

PERFORMANCE AREA	STATUS	CHALLENGES
MANAGEMENT OF WARD COMMITTEES	**7 OUT OF 9 WARD COMMITTEES ESTABLISHED**	**DISPUTES**
GOVERNANCE e.g MAYOR, SPEAKER, CHIEF WHIP	• **OFFICES ESTABLISHED**	• **ROLE CLARIFICATION STILL A SERIOUS CHALLENGE** • **INTERFERENCE IN ADMINISTRATION** • **UNEASY RELATIONS BETWEEN POLITICAL OFFICES AND MANAGEMENT**
SUBCOM./EC/MC	**SCHEDULES OF SESSIONS ADOPTED**	• **FREQUENT ABANDONING AND POSTPONEMENT OF COUNCIL PROGRAMME RESULTING IN DELAYS IN DECISIONS** • **POOR EVALUATION OF MATTERS TOBE TABLED FOR DEBATE.**
MANAGEMENT MEETINGS	**METTINGS TAKE PLACE MONTHLY**	• **NEED TO IMPROVE EFFECTIVENESS ON IMPLEMENTATION OF DECISIONS**

PUBLIC PARTICIPATION	**IMBIZOS AND IDP REP FORUMS BEING HELD**	• **POOR REPORTING ON EVENTS AND PROGRAMMES**
MONITORING CAPACITY OF COUNCIL	• **MPAC ESTABLISHED** • **IAC TO BE FINALIZED**	**EFFECTIVENESS YET TO BE TESTED**

8.13. CHALLENGES – COMMUNITY PERSPECTIVE

Priority	**Ward number (Area in the ward)**	**Challenges/Issues**
Good Governance	Ward 2 Ward 3 Ward 4 Ward 6 Ward 7	Batho - pele principles are not practiced in the municipality
	Ward 2 Ward 6	No proper consultation in the community about increase of tariffs.
	Ward 3	No proper consultation about new established service points for purchase of electricity.
	Ward 1	No Mayoral Bursary initiative in place
	Affects all wards	Switch board operator not responding on time when answering calls
	Affects all wards	Transfer of calls by switch board operator not always accurate
	Affects all wards	Long turn-around time for the municipal officials to respond to pipe burst or electricity blackout.

	Affects all wards	Municipality is not collecting refuse in all sections of the municipal area.
	Affects all wards	Unavailability of senior managers when are needed most
	Affects all wards	Long turn-around time for municipal officials to respond to fire incidents.

9. MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

The municipality undertook the Strategic Planning for the 2011/21 financial year and that process was also linked to the finalization of 2011/12 IDP Review and Budget process. The 2011/12 Revised IDP was adopted on 28 April 2011 as per Circular 54 from National Treasury.

The process for the rebuilding of the main municipal building which was initiated in the 2007/08 financial year has been completed and all offices have since been occupied. The ICT infrastructure is also complete.

The municipality also started with the review of the Performance Management System (PMS) Policy Framework. At the end of December 2009 the PMS Policy Framework was approved and adopted by council. The framework attempts to cascade the implementation of the PMS to the lower levels during 2011/12 financial year as the efforts were made to benchmark with Fetakgomo Municipality. Since the implementation of individual performance has always been limited to section 56 managers.

9.4. VACANCIES FILLED 2011/12 FINANCIAL YEAR

Staff Compliment	Vacancies	Appointment	Retirement	Resignation	Upgrading
385	42	36	9	8	9

Bela Bela Municipal Council has a total number of 17 Councillors, with the African National Congress being the majority party. The Mayor of Bela Bela Municipality is Cllr FS Hlungwane and the Speaker is Cllr MM Monanyane. The Municipality has a total number of 1 village, 3 township, 1 town and 7 farm areas which makes a total of 12 settlements in 9 wards.

9.5. SETTLEMENTS, WARDS AND LEADERS

AREA	WARD COUNCILLOR	WARD NUMNBER	PR COUNCILLORS
Spa Park	Cllr JF van der Merwe (EC Mmember)	1	Cllr TE Mokonyane
Jinnah Park			Cllr PM Mahlangu
Informal Settlement (Koppevai)			Cllr KB Alberts
Vengerkraal			Cllr RM Radebe
Bela Bela Town Residential and Urban			Cllr G Seleka

Old Location Part of Extension 1 Part Mmampatile Part of Leseding	Cllr SE Maluleka (Chief Whip)	2	Cllr JW Fouries Cllr LM Nhlapo (EC Member) Cllr C Boshoff
Part of Mazakhela Part of Extension 5	Cllr MM Monanyane (Speaker)	3	
Part of Extension 5 Phomolong (Skierlek) Informal Settlement (Dibang View - Thlalampsa/Donosa) Extension 8	Cllr FS Hlungwane (Mayor – EC Member)	4	
Soweto Part of Mazhakhela Part Mmampatile Part of Extension 1	Cllr HM Ledwaba	5	
Part of Leseding Part of Town Residential Informal Settlement (Jacob Zuma View)	Cllr MJ Ngobeni	6	
Extension 6 Extension 7 Tsakane	Cllr JM Sesane	7	
Rapotokwane Piennarsrevier Rust de Venter Lehau	Cllr PM Aphane	8	
Masakhane	Cllr WK Mokgethoa	9	

9.6. ORGANISATIONAL STRUCTURE OF BELA BELA LOCAL MUNICIPALITY

The municipality has a staff compliment of 355 full time staff as provided in the revised Organogram. The municipal organogram makes provision for a Municipal Manager, 5 Senior Managers (Head of Departments) and 18 Middle Managers (Divisional Heads)

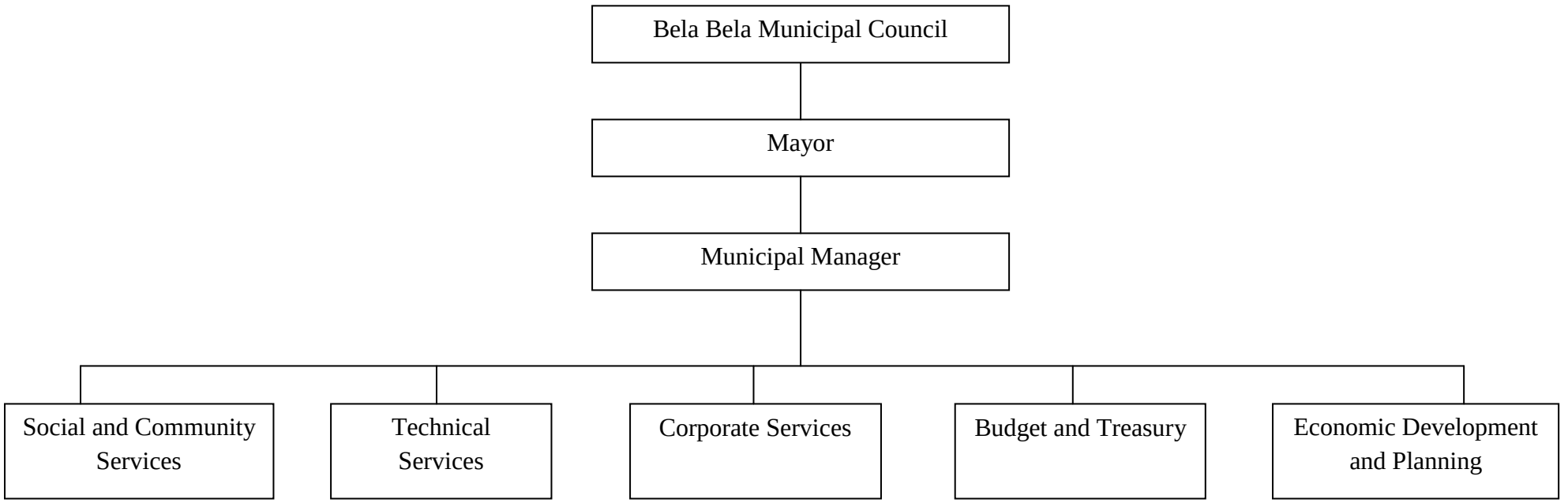


Table 13: Municipal Staff Compliment

Level of Employment	Number of Employees	%
Senior Managers including MM	4	**1.5**
Middle Managers	15	**4.2**
Technical/ Professional Staff	58	**16.3**
Other Staff (clerical, labourers etc.)	277	**78.0**
Grand Total	**355**	**100%**

Table 14: Management Capacity for Executing the Municipal Powers and Functions

Managerial Level	Management Accountability	Subordinate Management (Divisional Heads/ Managers)
Municipal Manager	Head of Administration	I Communications II Internal Auditing
Head of Departments (4) (Section 57 Managers)	1. Budget and Treasury	I Budgeting and Financial Reporting II Expenditure III Revenue
	2.Technical Services	I Water and Sanitation II Roads and Stormwater III Electrical Services
	3. Social and Community Services	I Parks, Cemeteries and Community Facilities II Protection and Emergency Services III Waste Management and Cleansing Services
	4. Economic Development and Planning	I Integrated Development Planning II Local Economic Development III Town Planning and Housing
	5. Corporate Services	I Human Resources II Information Management III Council Administration and Legal Services

Table 15: Core Departmental Functions, Capacity and Constraints: Budget and Treasury Department

Divisions	Functions	Number of Staff				Constraints that compromises Service Delivery
		Total	Man	Profess.	Vac	
Budgeting and Financial Reporting	• Compiling financial statements and executing budgetary controls • Compliance with MFMA reporting formats • Ensuring implementation of GAMAP/ GRAP	3	1	1	1	CFO position vacant
Expenditure Management	• Payment of Municipal Expenses • Preparing monthly bank reconciliation • Administering Asset Register • Managing stores	11	1	4	0	Fully staffed
Revenue Management	• Supervise the Revenue staff • Verify daily revenue, direct payments into bank accounts via. Cashiers, debit orders and through Post Office • Reconcile revenue with bank statements, taking into consideration the amounts for revenue paid into banks and accounts	21	1	7	3	Fully staffed

	of other divisions e.g. Traffic • Handling enquiries on accounts through telephonic, correspondence and in person. • Balancing the trial balance and ledger accounts • Balancing evaluation roll • Certifying documents for payment etc. • Contract – Loan agreements					

Table 16: Core Departmental Functions, Capacity and Constraints: Technical Services Department

Divisions	Functions	Number of Staff				Constraints that compromises Service Delivery
		Total	Manag	Profess.	Vacancies	
Water and Sanitation	• Provision of water, sewerage and sanitation. • Reticulation of water, sewerage pipeline • Maintenance of water and sewerage network • Water and sewer purification	69	1	3	3	Vacancies are mainly the Junior Staff i.e. Machine Operators and General Assistants
Roads and Stormwater	• Construction and maintenance of roads and stormwater. • Render Project Management Services and upkeep of Municipal Buildings. • Coordinate mechanical services.	36	1	2	2	Staff shortages due to vacancies on the building services section.
Electrical Services	• Provision, distribution, Maintenance of electrical connections with the Municipal Area. • Render electric services to support municipal construction projects.	37	1	8	2	Staff shortages due to the many vacancies for electrical assistants and other labourers.

Table 17: Core Departmental Functions, Capacity and Constraints: Social and Community Services Department

Divisions	Functions	Number of Staff				Constraints that compromises Service Delivery
		Total	Manag	Profess.	Vacancies	
Parks, Cemeteries and Community Facilities	• Provide Parks, Recreation and Cemetery Services i.e. maintenance and upkeep of cemeteries, parks and municipal facilities • Provide Library Services which includes procurement and issue of library material	47	1	2	4	Fully staffed
Protection and Emergency Services	• Providing registration and licensing services. • Promote traffic safety and law enforcement. • Render fire fighting and disaster management services • Render security services.	25	1	10	2	Fully staffed
Waste Management and Cleansing Services	• Render environmental health services. • Render landfill management services. • Render refuse and waste management services.	44	1	1	1	Fully staffed.

Table 18: Core Departmental Functions, Capacity and Constraints: Economic Development and Planning Department

Divisions	Functions	Number of Staff				Constraints that compromises Service Delivery
		Total	Manag.	Profess	Vacancies	
Integrated Development Planning (IDP)	• Managing the development, approval and implementation of the IDP. • Monitoring the performance of the Municipality through PMS requirements. • Compiling and monitoring the implementation of strategic, operational and activity plans to give effect to the IDP. • Compiling and submitting progress performance reports on all the development initiatives, projects, programmes and activities taking place within Bela Bela (i.e. Quarterly, Mid - yearly and Annual Reports). • Developing and Implementing policies and procedures to manage and co – ordinate all approved public participation and communication projects, programmes and activities.	2	1	1	0	Fully staffed
Local Economic Development (LED)	• Marketing of Bela Bela. • Co – ordinating investments proposals • Liaison with investors • Promotion of tourism	5	1	2	0	Fully staffed

	• Supporting the LED projects • Providing incentives for the SMMEs./Support SMME Development					
Town Planning and Housing	• Ensuring the implementation of the town planning requirements within the development taking place in Bela Bela Municipal Area. • Render land use, Building and Housing administration. • Render survey and demarcation of sites. • Decision – making in terms of spatial and physical planning.	5	1	3	0	Fully staffed.

Table 19: Core Departmental Functions, Capacity and Constraints: Corporate Services Department

Divisions	Functions	Number of Staff				Constraints that compromises Service Delivery
		Total	Manag	Profess	Vacancies	
Human Resource	• Render acquisition of staff. • Administer employees benefits. • Render administration, labour and legal relations. • Render training and development services. • Render organisational development services.	7	1	4	0	Fully staffed
Information Management	• Render record management services. • Render information technology services.	25	1	1	1	Fully staffed

	• Provide auxiliary services.					
Council Administration and Legal Services	• Oversee the drafting and updating of by-laws. • Compilation of council agendas. • Provide legal services.	6	1	3	0	Fully Staffed

It should be noted there are 16 additional staff which is not captured on the above tables and that includes the Section 57 managers (5), Personnel in the office of the Municipal Manager (5), Personnel in the office of the Mayor (2) and Personal Assistants to Section 57 Managers (4).

9.7. EMPLOYMENT EQUITY

The employment equity plan intends to achieve equity in the workplace, in order to make the municipal workforce more representative and ensuring fair and equitable employment practices for employees. Furthermore it is intended to create an organisational culture that is non – discriminatory, values diversity and legitimises the input of all employees. The employment equity policy within Bela-Bela has recently been reviewed and implementation of this policy has commenced. The gender composition within Bela-Bela Municipality by the end of June 2011 indicated that 76,4% of the municipal employees are males while only 23,6% are female. This indicates that a lot of work still needs to be done on the side of recruitment to ensure that the municipality meets its target of having 40% of the municipal employees being women.50% females were recruited by June 2011out of 42 created vacant post. In terms of gender composition at Section 57 Management, the municipality is currently not doing well to such an extent that out of 5 section 57 managers, only one female section 57 manager and the target that has been set by this equity plan in this regard is 40% of women in Section 57 position by 2011.

TABLE 20: THE SKILLS NEEDS WITHIN THE MUNICIPAL COUNCIL

Training and skills development interventions in the area of	Skills Priority no	Number of interventions planned for the period									
		General (GET) band	Further Education and Training			Higher Education and Training (HE) band				Unknown	Total
		Up to NQF Level 1	NQF Level 2	NQF Level 3	NQF Level 4	NQF Level 5	NQF Level 6	NQF Level 7	NQF Level 8		
ABET											0
Administration	5				5						5
Client services	9				6						6
Computer literacy	3				2						2
Corporate, legal and support	2				7						7
Financial	4			1	15						16
Life skills	11			1							1
Management/leadership	3				6						6
Occupational Health and Safety	2			1	1						2
Policy Development	10				1						1
Project management/planning	7				4						4
Social/community/economic development and planning	8			6	1						7
Special technical	1			11	11						22

Training skills	6			10	7						17
Specialist skills required by legislation	1				5						5
TOTAL				**30**	**66**						

TABLE 21: MANAGEMENT OF BELA BELA LOCAL MUNICIPALITY

Municipal Manager appointed	Yes
Municipal Manager signed performance contracts 2009/10 FY	Yes
CFO appointed	Yes
CFOs signed performance contracts	Yes
Technical Manager appointed	Yes
Technical Manager signed Performance Contracts	Yes
Total of section 57 Managers posts	6
Total number of Section 57 managers posts filled	6
Total number of Section 57 managers posts vacant	0

TABLE 22: PERFORMANCE MANAGEMENT SYSTEM OF BELA BELA LOCAL MUNICIPALITY

PMS revised in line with Performance Management Regulations	Yes
Have all Section 57 managers signed performance agreements for 2010/11	Yes
2009/10 Annual Performance Reviews Conducted	Yes

Total Budget used to pay 2009/10 Performance Bonus to Section 57 managers	0
Submission of Performance Agreements MEC by 31/08/10	Yes

9.8. STRENGTH, WEAKNESSES, OPPORTUNITIES AND THREATS (SWOT) ANALYSIS OF INSTITUTIONAL SITUATION

The current institutional situation reflects an immense improvement and stability in terms of staffing arrangements within Bela Bela Local Municipality. This is evident from the SWOT analysis table 22 below reflects a significant number of strengths against the weaknesses that are currently in existence within the arrangements that the municipality has undertaken in terms of Municipal Administration.

Table 23: Institutional SWOT Analysis

STRENGTHS	WEAKNESSES
1. All senior management positions are filled and senior staff members are well trained and experienced. 2. Well developed sense of teamwork amongst senior management members. 3. Good potential amongst middle management for staff capacitating. 4. Senior and Middle Management are computer literate. 5. Fairly good computer programs. 6. Contingency plan in place for equipment breakdown. 7. Business plan for capacity building in place. 8. Enough computers available for senior management.	1. Staff shortages in some departments 2. Lack of skills/ capacity at the lower levels. 3. Service providers do not always respond on time for emergencies. 4. Lack of adequate funds for training 5. Lack of sufficient internet connection 6. Lack of strategy for skills retention
OPPORTUNITIES	**THREATS**
1. Staff development through training. 2. Potential to contribute to job creation through LED/IDP/EPWP projects and learnership programmes. 3. Internal redeployment/ placement and better utilisation of staff with improved morale and job satisfaction. 4. Conducting the staff audit	1. Delays in service delivery 2. Delays in programmes/ projects with implementation 3. Possible failure to respond to emergencies

9.9. PROGRESS ON BACKLOG:

MEASURES	2006	2011
ORGANIZATIONAL REVIEW	ONGOING	- 5TH DEPARTMENT ESTABLISHED - 5 NEW DIVISIONS ESTABLISHED
HR MANAGEMENT	NON-EXISTENT	DIVISION ESTABLISHED
PMS	NON-EXISTENT	POLICY FRAMEWORK EXISTS
LLF	NON-EXISTENT	ESTABLISHED
ANTI-CORRUPTION STRATEGY	NON-EXISTENT	ADOPTED

9.10. CHALLENGES – INSTITUTIONAL PERSPECTIVE

PERFORMANCE AREA	STATUS	CHALLENGES
HUMAN RESOURCE MNGT	• **RECRUITMENT** • **TRAINING** • **REGULATION**	• **RESTRUCTURING LARGELY A FUNCTION OF ATTRITION** • **POOR PERORMANCE ON EMPLOYMENT EQUITY**
PERFORMANCE MANAGEMENT	**IMPLEMENTATION OF PMS AMONGST EMPLOYEES**	**CASCADING IMPLEMENTATION TO LOWER RANKS EXTREMELY SLOW**

LABOUR & LEGAL MATTERS	• **EMPLOYEE WELLNESS** • **APPLICATION OF DISCIPLINE** • **CONTRACTUAL MANAGEMENT**	• **LACK OF STRUCTURED PROGRAMME EMPLOYEE SUPPORT** • **DRINKING AND DISCIPLINARY PROBLEMS** • **LENHTHY LEGAL AND LABOUR PROCEDURES.** • **POOR CONTRACTUAL MANAGEMENT**

9.11. CHALLENGES – COMMUNITY PERSPECTIVE

Priority	Ward number (Area in the ward)	Challenges/Issues
Municipal Transformation and Institutional Development	Ward 8 (Rapotokwane & Pienaarsrivier) Ward 9 (Masakhane)	No municipal service delivery area/office (satellite office)
	Ward 8 (Rapotokwane) Ward 9 (Masakhane)	Not all local community not catered for in both magergerial and general work positions
	Affects all wards	Unemployment of people with disability by the municipality
	Affects all wards	Non-commitment of some elected Councillors
	Affects all wards	Non Branding of Ward Committees & CDWs
	Ward 8 (Rapotokwane)	Poor relationship with traditional authority

10. NON – CORE FUNCTIONS

10.1. HEALTH AND SOCIAL DEVELOPMENT

10.1.1. HEALTH

Bela Bela municipal area is currently serviced with two hospital, six clinics and two mobile clinics. Table 23 below is an indication of accessibility to these two hospitals by the settlement areas within the municipal area and the location of other health facilities (i.e. clinics and mobile clinics) in relation to these settlement areas. As evident from the table 4 below the majority of the health facilities are clustered within Bela Bela Town and this can be considered to be logically acceptable given the fact that it has a largest concentration of population which implies a greater demand for the health service.

MAP 12: HEALTH FACILITIES

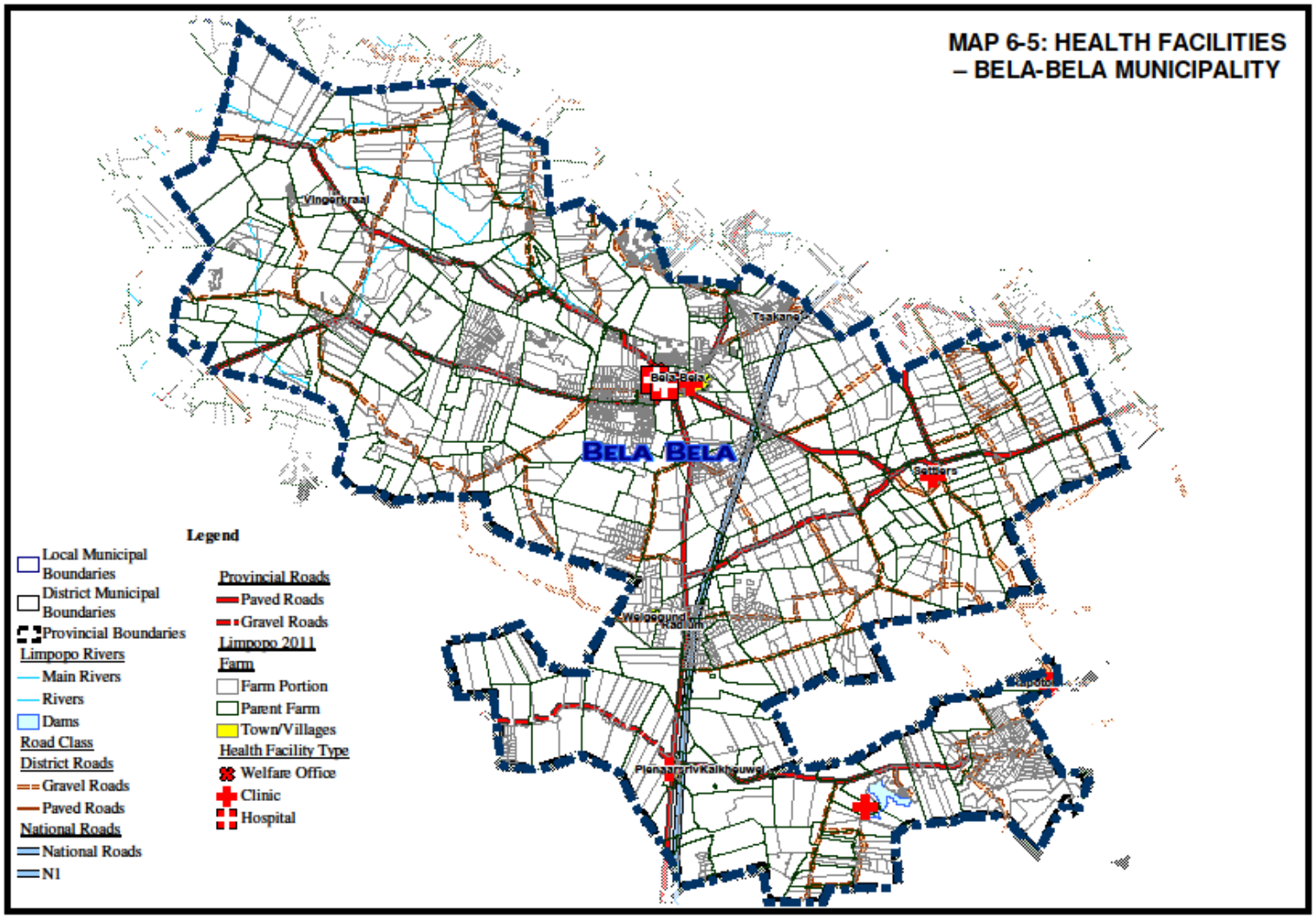


Table 23: Availability of Health Facilities in Bela Bela

MUNICIPALITY	LOCAL ARA	LOCAL AREA MANAGER	HEALTH FACILITIES
Bela Bela	Bela Bela	Thokolo Francina 0147364666 0787903761	Warmbad Town
			Bela Bela
			Settlers
			Pienaarsrivier
			2 Mobiles
			Warmbaths Hosp

Sub-District	Hospital	Clinics	Mobiles	Community Health Centers
Bela Bela	1 Public Hospital and 1 Private Hospital	4	2	0

Source: Dept of Health, 2011

- Building of New Medium Clinic in Pienaarsriviers in 2011/12 Financial Year – currently utilizing the municipal structure which is not according to the departmental specifications.

- Building of New Medium Clinic in Masakhane in 2012/13 Financial Year – long distance to the nearest health facility and newly established township and mushrooming of informal settlement/

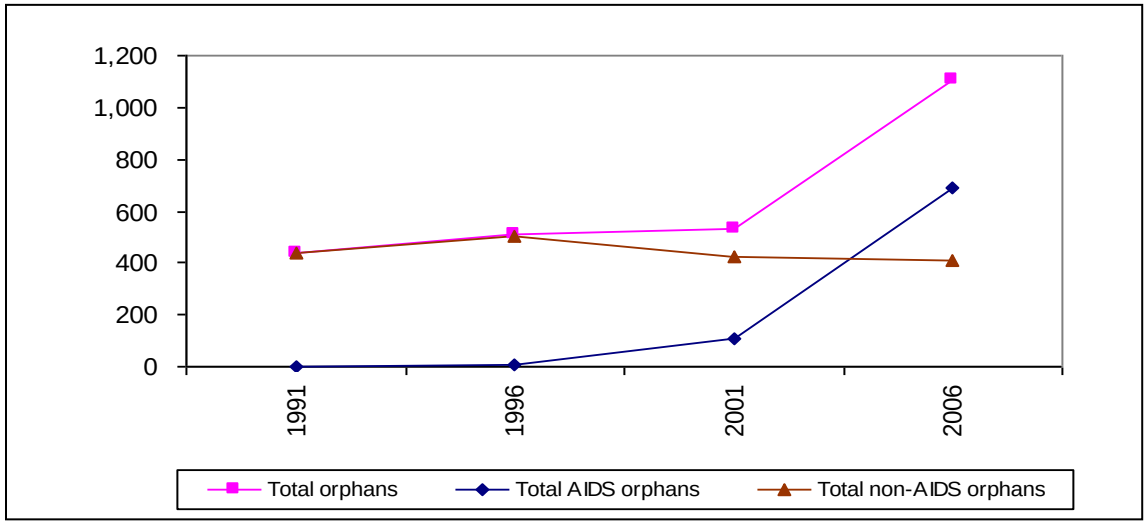
- Building of New Medium Clinic in Bela Bela Township in 2012/13 Financial Year – current clinic structure old and dilapidating. Temporary structures are utilized for service delivery.

- Revitalization of Warmbaths Hospital in 2012/13 Financial Year

An application of a 5 km radius from each clinic suggests that a number of settlements are not well provided with health facilities such that Pienaarsrivier, Radium and Rust de Winter are located quite far from the health facilities i.e. beyond the twenty kilometers of reach from hospitals and beyond five kilometers from clinics. The need for the provision of either mobile or immovable clinics would need to be determined within these settlements. Rapotokwane on the other hand has a clinic nevertheless; the community is not impressed with the fact that it only operates during the five working days (i.e. Monday – Friday) and it is closed during the weekend.

The statistics prepared by the Development Bank of Southern Africa indicates a drastic increase in the number of people affected with HIV/ AIDS within Bela Bela. According to the projections, the number of the people affected by the HIV/ AIDS epindemic increased from 7 810 to 14 333 from the period 2001 – 2006. Figure 11 below is an indication of the increased in the number of HIV/ AIDS orphans due to the AIDS epidemic within Bela Bela.

Figure 11: Impact of HIV/ AIDS on Orphanage



Source: DBSA 2006

The detrimental impact of HIV/ AIDS will be beyond than placing the social development institutions at a pressure to make necessary provisions for accommodating the HIV/ AIDS orphans who are currently increasing at a rapid pace, such that the impact of HIV/ AIDS has a severe impact to the social and economic development of the area and it can lead to the following situations:-

- Low and/ or zero population growth rate, thus affecting the sustainability of projects that are based on certain population projections.
- A significant number of households will suffer a loss of income when the economically active member/ breadwinner dies of AIDS pandemic.

- Families of HIV/ AIDS victims will be forced to divert their income, which could have been used for other socio – economic activities to conduct burial ceremonies as the African cultures encourages expensive funerals.

- The economy of Bela Bela in particular will be negatively affected, as income will be lost due to absenteeism caused by ill health, and the necessary training of new incumbents.

On the financial perspective the increase in the number of orphans and abject poverty will eventually force the government to spend more on social activities than on capital infrastructure, which propels economic development. This will also impact negatively on the ability of the municipality as investments rely heavily on the availability of capital infrastructure.

10.2. SOCIAL DEVELOPMENT/SASSA

LOCAL MUNICIPALITY	OLD AGE	DIS	WAR VETERAN	COMB	GRAND IN AID	FOSTER CARE BENEFICIARIES	FOSTER CARE CHILDREN	CARE DEPENDENCY BENEFICIARIES	CARE DEPENDENCY CHILDREN	CHILD SUPPORT BENEFICIARIES	CHILD SUPPORT CHILDREN	TOTAL	
												BEN	CHIL DREN
BELA BELA	2724	2724	1	3	42	423	647	80	83	5736	10422	**11733**	**11152**

Source: Dept of Social Development/South African Social Security Agency, Limpopo Region, 2011

- Target number of children to be place in foster care = 60
- Child care and protection services = 2
- Number of existing ECD sites = 25
- Number of existing stop centres = 2 (Vusile in the township and Angels at Spa Park)
- Child protection organizations = 1

- Number of older persons involved in community services to older persons = 24
- Number of older persons in residential facilities for older persons = 110
- Number of individuals who benefited from social relief programmes = 76
- Number of jobs in HCBC created through EPWP = 188 (District – wide)
- Number of Protective workshops for people with disabilities =1
- Infrastructure Development = One Stop Centre
- Poverty Alleviation
    - Ward Profiling = 6
    - Household Profiling = 1256
    - Food Production units = 730

The number of people infected and affected by HIV/AIDS within Bela Bela is considered to be increasing and this requires urgent attention. With reference to the HIV/ AIDS statistics, it is evident that a lot needs to be done by Dept of Health in association with the municipality in order to avoid the impact that this epidemic will have on the social and economic development of Bela Bela.

10.3. CHALLENGES:

Priority	Ward number (Area in the ward)	Challenges/Issues
Health (prevention of HIV/AIDS and other life-threatening diseases) and	Ward 1 (Spa Park & Jinnah Park) Ward 7 (Ext 6)	Unused built clinic

Social Development	Ward 2 Ward 3 Ward 5 Ward 6	High rate of teenage pregnancy
	Ward 2 Ward 4 (Ext 7, 8 & Informal Settlement) Ward 9 (Masakhane)	No clinic/mobile clinic
	Ward 2 Ward 3 Ward 5 Ward 6 Ward 8 Ward 9 (Masakhane)	Ineffective HIV/AIDS awareness campaigns
	Ward 3 (Mandela)	Ineffective TB awareness campaigns
	Ward 5	Ineffective health inspectors

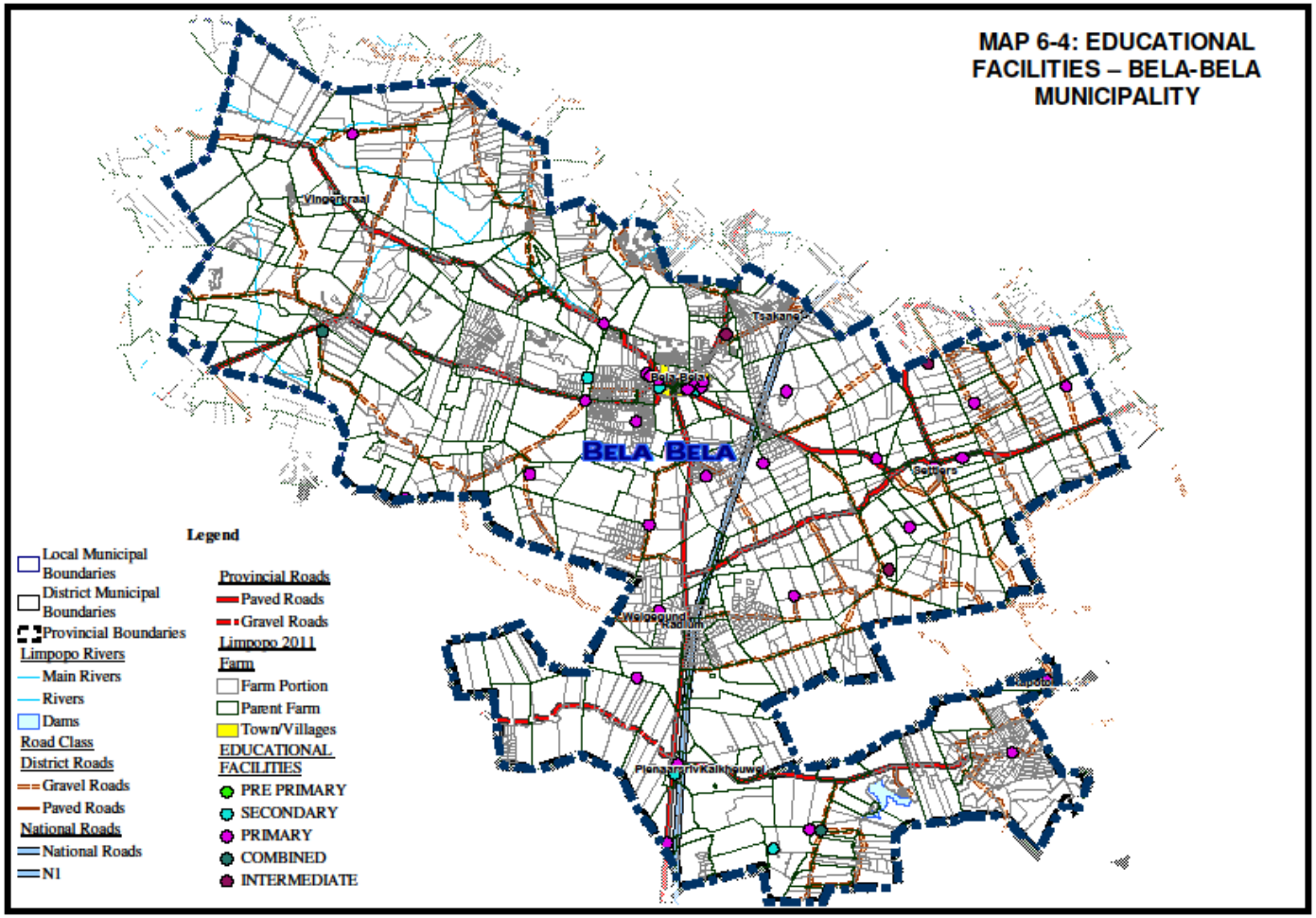
	Ward 8 (Rapotokwane)	Health services still in Mpumalanga Province
	Ward 1 (Spa Park & Informal Settlement) Ward 8 (Rapotokwane)	Inadequate Food parcels for poor families
	Affects all wards	No assistance offered for residence to obtain ID
	Ward 9 (Masakhane)	Shortage of pay-points

10.4. EDUCATION

MUNICIPALITY	TYPE OF SCHOOL						SCHOOLS WITHOUT		
	SEC	INTERM EDIATE	PRIMARY	COMBINED	FET	TOTAL	ELECT	WAT	SAN
BELA BELA	5 (4 25 5 ppl)	1 (72 ppl)	12 (8 464 ppl)	2 (145 ppl)	0	20	2 (Gretna and Ramoroko)	2 (Malebone and Ramoroko)	1 (Blaanboshkuil)

Source: Department of Education, 2012

MAP 13: EDUCATIONAL FACILITIES



10.4.1. THE PROVISION OF SCHOOL NUTRITION

NAME OF THE SCHOOL	GRADES	NO OF LEANERS	LOCALITY
Albert Lethuli Primary	R to 7	1040	Bela Bela Toenship Ext 05
Blaauwbosch Primary	R to 7	260	Masakhane, Radium
Gretna Primary	R to 6	20	Gretna Farm, Settlers
Hleketani Primary	R to 7	1027	Bela Bela Township, Leseding
Khabele Primary	R to 7	546	Bela Bela Township, Moraka Street
Malebone Primary	R to 7	76	Douglas Farm, Noodhulp
Mathintha Combined	R to 09	47	Bala Farm, Lehau
Mmamakwa Primary	R to 7	941	Bela Bela Township, Khona Street
Mmampatile Primary	R to 7	1058	Bela Bela Township, Kgosana Street
Modderspruit Primary	R to 7	54	Marulane Farm, Bela Bela
Pienaarsrivier/Moutse Primaries	R to 7	472	Pienaarsriver
Ramorokoimary Primary	R to 7	09	Westwood Farm, Hammanskraal
Reamogetswe Primary	R to 7	06	Roodekuil, Bela Bela
Sehoale Primary	R to 7	14	Sondela Nature Reserve, Bela Bela
Spar Park Primary	R to 7	1094	Spar Park, Bela Bela
Motswedi Primary	R to 7	49	Mabula (Bela Bela/Thabazimbi road)
Rhenosterkloof Primary	R to 7	194	Vingerkraal
Tloutona/Leeupoort Primary	R to 7	78	Leeupoort
Total number of primary schools	**17 with 47**		
Total number of combined schools	**01 with 3969**		
Total number of Q1 secondary schools	**0 with 0**		
Grant Total	**18 with 4016**		

10.4.2. CRITICAL ISSUES AND CHALLENGES TO PROVIDE THE SERVICE

- Poor road conditions in some of the areas that makes it difficult during rainy seasons for service providers to deliver NSNP ingredient to targeted schools
- Inadequate storage facilities and poor unhygienic food preparation areas
- Lack of foodhandlers/helper mothers in farm schools
- Inadequate or lack of water in some of the areas to enable schools to start with the Sustainable Food Production projects
- No sustainability of food production initiatives during school holidays due to non availability of funds to appoint or pay stipend to gardeners.

10.4.3. PROVISION OF TRANSPORTATION OF LEARNERS TO SCHOOL (LEARNER/SCHOLAR TRANSPORT)

ROUTE NO.	SCHOOL (S)	NO OF LEARNERS	KM PER DAY	LOCALITY
L/W/S/14(a)	Moutse/Pienaarsrivier Primary	24	88	Pienaarsrivier
L/W/S/15(a)	Mathintha Comb.	18	20	Bala/Lehau
L/W/S/15(b)	Mathintha Comb.	09	50	Bala/Lehau
L/W/S/16	Motswedi Primary	50	84	Mabula
L/W/S/28	Khabele Primary	60	28	Bela Bela
L/W/S/66	Laerskool Warmbad	40	80	Bela Bela
L/W/S/67	Malebone Primary	78	32	Bela Bela, Noodhulp
L/W/S/12	Leeupoort/Tloutona	86	84	Leeupoort
Total number of routes = 08 **Total number of learners = 365**				

In terms of education the 2010/ 11 IDP review noted that there are 20 schools on private properties (farms) and the key issues was that these schools are too far from the settlements and the children have to travel long distances to attend their classes. These schools

comprises of 67 classrooms and 1062 learners. The limited facilities for tertiary education within Bela Bela was also considered to be limiting a factor in terms of ensuring that the population is skilled and therefore the facilitation of the establishment of FET institution within Bela-Bela was identified as the priority issue

10.4. CHALLENGES:

Priority	Ward number (Area in the ward)	Challenges/Issues
Education	Ward 2 (Raeleng School)	No administration block
	Ward 2 (Raeleng School)	Overcrowding in classrooms
	Ward 2 (Raeleng School) Ward 3 (Albert Lethuli Primary School) Ward 8 (Rapotokwane – Khobongwane Primary School & Litho Secondary School)	No sports facilities
	Ward 4 (Ext 8) Ward 9 (Masakhane)	No learner transport
	Affects all wards	No institution of higher learning in Bela Bela

	Ward 3 (Mandela - Albert Lethuli School) Ward 9 (Masakhane)	No ABET facilities
	Ward 3 (Mandela)	No library
	Ward 8 (Rapotokwane)	Educational services still in Mpumalanga Province
	Ward 1 (Informal Settlement) Ward 9 (Masakhane)	No High School

10.5. SAFETY AND SECURITY

Bela Bela is currently serviced with three police stations to cater for public safety. These facilities are located within three different areas (i.e. Bela Bela Town, Piernaarsriver and Rus de Winter) within the municipality as indicated in table 24, below.

Table 24: Availability of Police Stations

Location	*Level of Service*
Bela Bela (Warmbath) Town	• **Main Station**
Bela Bela Township	• **There is no Station**
Pienaarsriver	• **Main Station**
Rus de Winter	• **Main Station**
Rapotokwane	• **There is no Station**

The areas that do not currently have Police Stations are Bela Bela Township and Rapotokwane Village. According to the crime statistics (as sourced from South African Police Services), the crime levels in Bela Bela can be considered to be very low, nevertheless table 25 below reflects the number of cases that were recorded in 2007 and 2008 which also also gives an indication of the crimes that increased or declined during that period.

Table 25: Crime Statistics in Bela Bela

Crime	**2007**	**2008**	**Percentage**
Murder	**4**	**9**	+125
Attempted Murder	**17**	**9**	-47,05
Armed Robbery	**38**	**38**	0
Robbery Common	**27**	**26**	-3,7
Assault GBH	**149**	**138**	-7,38
Assault Common	**139**	**108**	-22,30
Rape	**30**	**24**	-20
Housebreaking (Residence)	**206**	**213**	+3,39
Housebreaking (Business)	**60**	**61**	+1,66
Theft of Vehicles	**37**	**13**	-64,86
Theft from vehicles	**30**	**65**	+116,66
Stock Theft	**19**	**28**	+47,36
Total	**756**	**732**	**-3,17**

N.B.Crime statistics analysis based on 2004-2007 crime SAPS stats and crime categorization outside SAPS National Framework

The need and location of future public safety facilities should be informed by the crime statistics and the good road network to ensure that the emergencies are attended to efficiently.

10.5.1. BELA BELA CRIME SITUATION INCREASE/DECREASE PENDING AGGREGATION (CLASSIFIED)

CRIME CATEGORY	BELABELA CLUSTER
CONTACT	All down but high volumes in assault
CONTACT RELATED	All down but high volumes of Malicious damage
PROPERTY	Burglary residential gone up
CRIME DEPENDENT ON POLICE	Drug related gone up
OTHER SERIOUS	Commercial Gone up
OTHER RELATED WITH ROBBERY	Kidnapping

The crime rate in Bela-Bela Municipality is considered to be a concern and the intervention is urgently recommended. The IDP Forums held with the community has reflected that Public Safety is a key area of concern within specific parts of the municipal area (i.e. Bela Bela Township and Rapotokwane) and these will need to be addressed.

10.5.2. IDENTIFIED HOTSPOTS IN BELA BELA (TOWN)

Burglaries	Industria, Paul Sauer str (1a)
	CBD: Stutter, Voortrekker str (1a)
	Golf Course Park, Flamboyant str, V/D Merwe str (1c)
	Mentz, Gilfillan Str (1c)
	Becket, Soetdoring, Tembotie, Geelhout, Knoppiesdoring str (1c)
	Ootshuizen, McCord str (1c)
	Caritas Village – Meiniger str
Copper Theft	Industria, Potgieter str (1a)
Assaults	CBD: Potgieter, Voortrekker str (1a)
	Spa Pak (1c)

Robberies	Potgieter, Pretoria str, Industria (1a)
	Roodepoort str, Spa Park (1c)
Theft of m/v	CBD: Potgieter, Luna str (1a)
Theft out/from m/v	Potgieter,Voortrekker str, Industria (1a)
	Flamboyant, Sering str (1c)

10.5.3. IDENTIFIED HOTSPOTS IN BELA BELA (TOWNSHIP)

Burglaries	Malebye, Maseko str (2b)
	Ngubeni str (2b)
	Motokoa str (2e)
	Street 201, 21 (2e)

	Phofu Cresc. (2f)
	Skierlik (2f)
	Ext. 6 (2f)
Robberies	Moloto, Masemola, Motokoa str (2a)
	Hecter Perterson, Street 15 (2e)
Rape	Tambo, street 15 (2d)
	Hlalampja (2e)
	Skierlik (2f)
Theft of Copper	Kutu, Mabunda, Manyamo str (2c)
Murder	Street 23, 61 (2e)

Stock theft	Limpopo rd & Ext 9 (2f)
Assaults	Masemols str (2a)
	Miles, Mooka, Mooka str (2a)
	Ngubeni str (2b)
	Hlalampja (2e)
	Street 5, 6 (2d)
	Zuma view (2d)
	36th Crescent (2e)
	Motokoa str 2017 – 2042 (2e)
	Street 15 (2e)

	Street 20, 21 (2e)
	Street 23, 24 (2e)
	Street 52, 53 (2e)
	Tambo Drive (2e)
	Mogalakwena rd (2f)
	Tlhong, Sisha str (2f)
	Skierlik (2f)

10.5.4. IDENTIFIED HOTSPOTS IN BELA BELA (FARM AREAS)

Burglaries	Buiskop (3a)
	Knapp (3a)
	Tweefontein (3a)
	Bospoort (3b)
	Buisfontein (3b)
	Buiskop (3b)
	Cyferfontein, Olievenfontein, Boschpoort (3b)
	Roodepoort (3b)
	Valencia (3b)
	Noodhulp (3c)

	Vlakplaats (3c)
Stock theft	Bala, Illawarra, Turfontein, Turfbult, Vlaklaagte (3a)
Assaults	Buiskop (3a)
	Droogekloof (3b)
	Roodepoort (3b)
Theft of copper and transformers	De kuil (3a)
	Palmietgat (3a)
	Roodekuil (3a)
	Tweefontein (3a)
	Cardiff, Deeside, Leeuwkuil (3a)

	Buiskop (3b)
	Roodepoort (3b)
	Grootfontein (3c)
	Langkuil (3c)
	Welgegund (3c)
Robberies	R101 & R576 – Bthasvley (3a)
Theft out m/v	Tweenfontein – Eersbewoond (3a)
	Buisfontein (3b)
	Buiskop (3b)

10.6. CHALLENGES:

Priority	Ward number (Area in the ward)	Challenges/Issues
Safety & Security	Ward 2 Ward 3 Ward 4 (Ext 5, 7 & 8 and Informal settlement) Ward 5 Ward 6 Ward 7 (Ext 7) Ward 8 (Rapotokwane) Ward 9 (Masakhane)	No satellite/mobile police station
	Ward 4 Ward 8 (Rapotokwane)	Invisibility of police officer during the night (patrol)
	Ward 7 (Ext 7) Ward 8 (Rapotokwane)	Ineffective community policing forum

	Affects all wards	Untimely response to crime situation by SAPS
	Ward 1 (Informal Settlement) Ward 2 (Hleketani School) Ward 4 (Ext 7 – Phomolong , Ext 8 & informal settlements) Ward 5 (Ext 1)	Lack of street lighting
	Affects all wards	Illegal operations of shebeens
	Affects all wards	Lack of proper monitoring of utilization of issued liquor licenses and permits
	Affects all wards	Municipal by-laws are not enforced
	Affects all wards	Invisibility of traffic officers throughout the night

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11. MUNICIPAL-WIDE SWOT ANALYSIS

STRENGTH	WEAKNESSES
• Water service connections in all households • Adequate electricity network • Mostly urbanised settlements • Able to account on transactions • Existence of development policies and frameworks (LUMS, SDF) • Provision additional fire fighting equipments • Good community participation • 6 Out of 9 Ward Committees established & functional • Audit committee and Audit performance committee established and functional. • Ability to report and account to different regulators. • Competent staff • Full complement of sec 56 staff	• Backlogs on construction of roads • Poor maintenance of stormwater • Inadequate supervision of designs of roads and stormwater • Aging bulk electricity network • Inadequate fleet in Technical Services (Electrical) • Quality/reliability of water • Inadequate sports and public facilities • Some streets are unnamed • Employment equity not up to standard • Retention of skilled staff. • Shortage of staff in Planning and LED • Inaccessible pay-points for services • Inadequate efforts to revitalise CBD

	• No Investment Strategy in place • Inadequate marketing of Bela Bela • Lack of policy to regulate business applications • Outstanding debts • Some Billing not accurate • Inadequate customer care • Low level of capital investment from own sources • No proper asset management • Infrastructure master plan and EMP are not in place. • Current organogram does not meet the organisational goals. • PMS not cascaded to lower levels • Lack of coherence within Council

OPPORTUNITIES	THREATS
• Proximity to Gauteng w.r.t. business opportunities (N1, R516, 101) • Explore alternative sources of energy • Low level of crime in CBD • Established Tourism sector • Adequate schools for basic education • Training of small business entrepreneurs • Potential to explore middle income housing	• Inadequate funding for roads and stormwater • Inadequate maintainance of National and Provincial roads (complaints directed to the municipality) • Unmaintained roads in the outskirts of town • Proximity to Gauteng with people relocating business to Gauteng • Illegal connection of electricity • Theft of electrical equipments • Inadequate water sources • Silting of dams through water runoff • Inadequate capacity to respond/cope with veld fires • No house numbers • High staff turn over • Exit of farmers from Radium • Inadequate rate of land redistribution

	• High unemployment • Dysfunctional business sites • Illegal occupation of land • High level of illiteracy • Lack of higher learning institutions • Lack of stimulation for entrepreneurs skills • Proliferation of RDP housing relative to middle to high income houses • High dependency on grants • Backlog in housing delivery (Both RDP and Middle – income) • Inadequate provision of library facilities • Scattered municipal offices

SECTION C: VISION

To be a tourist destination of choice in Limpopo Province.

This new vision of Bela Bela was developed during the 2009/ 10 IDP Steering Committee Meetings and adopted by the IDP Representative Forum. It was agreed that upon the review of the Municipal Vision and Mission the guiding principles should be the tourism characteristics of the Area "Bela Bela as a Tourism Getaway", Service Delivery Commitment for the community of Bela-Bela, Sustained Environmental friendliness and Economic Growth and Employment Creation.

SECTION D: MISSION & VALUES

MUNICIPAL MISSION STATEMENT

Bela Bela Municipality commits itself to the following mission in pursuit of the above – mentioned vision and developmental agenda. The mission of Bela Bela can be generally outlined in Box 2 below:-

Mission Statement:

 # Through commitment to effective and efficient service delivery;

 # By exploiting opportunities in development and tourism;

 # By striving for economic growth and job creation;

 # Promoting a safe, healthy and sustainable environment;

 # Fostering active community participation and stakeholder involvement.

MUNICIPAL VALUES

Bela Bela Municipality commits itself to adhere to the municipal core policies and values which are:-

- Accountability
- Fairness
- Effectiveness
- Commitment
- Honesty and Sincerity

SECTION E: STRATEGIC OBJECTIVES

Priorities of BBLM	Objectives	Strategies
Education	• To facilitate the delivery of Education Facilities in order to address the backlogs in terms of this service.	• Facilitating the provision of additional schools in areas of need. • Relocation of Raeleng High School • Facilitation of the establishment of institution of higher learning (Tourism)
Health (prevention of of HIV/ AIDS and Other Life – Threatening Diseases) and Social Development	• To support the programmes intended to prevent life – threatening diseases and projects intended to reduce backlogs in terms of public health facilities.	• Support the initiatives for the prevention of life-threatening diseases such as TB, Cancer, HIV/ AIDS etc.
Safety and Security	• To provide support to the Safety and Security programmes intended to reduce the Levels of Crime and to facilitate the construction of Public Safety Facilities which would reduce the service backlogs.	• Promote the reduction of crime in Bela Bela Municipal Area. • Improve access to safety and security services. • Establish sector policing in Bela Bela municipal area.

Priorities of BBLM	Objectives	Strategies
Local Economic Development	• To create a climate conducive to local economic development, • Reduce the level of unemployment by 50% by 2016 and to ensure that the local economy grows at a rate of 5 % per annum.	• Review and Implement existing policy framework (SDF, LUMS LED Strategy, etc) to ensure conducive environment. • Develop and maintain infrastructure in areas with economic development potential and high levels of poverty. • Train and workshop SMME's to intensify Human Capital Development. • Identify and support LED initiatives e.g. Tourism and Agriculture.
Water, Sanitation & Refuse Removal.	• Improved access to safe and healthy water, sanitation and environment for the residents of Bela Bela.	• Upgrading of bulk water supply and sanitation network at Bela-Bela municipal area. • Identification of land for dumping site to minimise littering.

Priorities of BBLM	Objectives	Strategies
Roads & Stormwater	• Well developed, upgraded, improved and maintained Roads and Stormwater infrastructure within Bela Bela.	• To improve the condition of the municipal controlled roads and ensure proper upgrading. • To improve and upgrade the drainage systems in the township.
Electricity	• Eliminate backlogs of 432HH without the power supply by 2016.	• Eradicate electricity backlogs by 2016 through utilizing the municipal capital budget.
	• Improve network reliability and sustainability	• Upgrade of all MV substation protection • Restoration of overhead line protection • Replacement of old cables • Refurbishment and replacement of minisubs • Refurbish and/or replace pole top transformers

	• Improve network master-planning	• Ensure required information is available for every master planning cycle • Up to date CAD & GIS drawings • Electronic updated copies of SLD's • Statistical metering info for substations & feeders • Detailed and accurate customer billing information
	• Maintain redundancy in network (sustainability	• Plan for additional capacity or NMD of +/4 MVA in the next 3-4 years • Preparing now for the eventual handover of the new 10MVA substation for HDA Spa Park development • Begin talks with Eskom about a new 10MVA 66kV/11kV substation located on the Eastern

		part of Town, with a separate additional 10MVA for redundancy.
	• Improve network maintenance and management	• Adequate staff complement • Competent and trained staff • Maintenance and Planning Systems tools • Adequate resources
	• Optimize Revenue and network efficiency	• Control of costs requires measured values hence metering at substations, load profiling meters • Aligning tariff structure policy with land use policy • Load profiling and continual review of master plan at required intervals • Calculation of network efficiency

		levels based on load profiling and billing information

Priorities of BBLM	Objectives	Strategies
Sports, Arts, Culture, Recreational Facilities and Cemeteries	• Improved access to the sport, recreational, art, cultural and community facilities within Bela Bela Municipal Area.	• To improve and maintain the existing sports, recreational and other community facilities and promotion of different sporting codes. • Allocate or seek funds in order to develop sporting and recreational facilities
Land, Housing and Infrastructure	• To facilitate provision of housing to 5040 housing list by 2016. • To facilitate for the acquisition of security of tenure for all residents (without secured tenure) of the municipality. • To create an effective system of land use management and orderly development within the whole	• Apply the "Breaking New Ground (BNG) in Housing Delivery" Policy/ A Comprehensive Plan for the Development of Sustainable Human Settlements. • Identify Strategically located land within the municipality in line with the Principles of the National Spatial Development Perspective and the Spatial Development Framework to

	municipal area.	accommodate the current Housing Backlog. • Engage other spheres of government and private sector (banks and property developers) to assist with planning, infrastructure provision and housing delivery for different income categories and housing options or typologies • Put mechanisms in place to deal with the emergence or mushrooming of new informal settlements timeously. • Conduct an audit on all land occupied without any secured tenure, and facilitate for the issuing of title deeds for the affected residents.

Priorities of BBLM	**Objectives**	**Strategies**
Good Governance (and Public Participation)	• To inform the community about service delivery. • To promote the image of the Municipality and interaction with the	• To improve and maintain the content of the Imbizo's, pamphlets, official notices, etc. • Awareness Campaigns in relation to

	community. • To promote Batho-Pele principles. • To promote effective decision – making and monitoring.	all municipal priorities. • Liaise with sector departments (health, education, sports, arts & culture, safety & security) w.r.t amendment of their priorities to cater for the local needs. • To forge closer ties with stakeholders i.e. Business Forum, CTA, NGOs, CBO, CDWs and other structures. • Training of staff about customer care. • On – going training of councilors and CDWs on local government matters.

Priorities of BBLM	Objectives	Strategies
Municipal Financial Viability	• To manage and use the public funds in an efficient and Accountable Manner.	• Sound Financial Management
Municipal Transformation and Institutional Development	• To create a properly upgraded and functional workplace for Municipal Staff and Cllrs to work in. • To perform local government service delivery functions efficiently and effectively. • To improve productivity, cost savings and efficient service delivery by the use of I.T. services. • To be able to share data at required and authorized levels based on I.T. Infrastructure that is best-of-breed, scalable, interoperable, cost effective and reliable.	• To improve the working condition of staff and cllrs in order to achieve a high standard of service delivery. • To develop and implement an Information Management, Systems and Technology strategy that is aligned with Municipality's business strategy and requirements. • To support national and provincial ICT initiatives whilst simultaneously ensuring optimum utilization, maintenance and support for existing I.T. Infrastructure.

focus area	challenges	objectives	strategies
Arts council	• No support from the municipality (Funding) • No Arts & Culture facilities (Arts Centre) • Inadequate local market development • No network in Masakhane, Rapotokwane and Pienaarsrivieis	**to facilitate and promote arts and culture development within the community and stakeholders**	**TO FORM PARTNERSHIP WITH ALL STAKEHOLDERS**

focus area	challenges	objectives	strategies

Council for the aged	• During pension pay-out at the Post Office, the following challenges are experienced:
	  ○ Long queue without rest areas
	  ○ No access to ablution facilities
		to promote rights of the aged	**To conduct ward based educational campaign s on the rights of the aged**

	○ No provision of water ○ No shades		

focus area	challenges	objectives	strategies
Sports council	• **Events** ○ No motivational events included in the municipal budget (i.e. morality building camps, sports summits, drugs free awareness, mayors cup) • **Equipments** ○ High shortage of equipments ○ Unavailability of municipal equipments • **Communication** ○ Limited knowledge of municipal policies ○ Inadequate consultation of	**To facilitate and promote sport development within the community and stakeholders**	**to facilitate mayoral games and awareness campaigns on sport development**

	IDP/Budget process ○ Non-communication when events are taking place within the municipality. • **Administration** ○ No access to resources. The Council request an office space to rapidly administer sports without bounderies ○ Limited knowledge of sporting codes by people who take care of the facilities which lead to inconsistence maintenance ○ Unavailability of sports desk at the municipality • **Facilities** ○ Shortage of facilities ito of indoor sports ○ Refurbishment of existing		

	sports courts at the Bela Bela Community Hall ○ Inadequate development of athletes ○ Limited accessibility of sports facilities including community halls		

FOCUS AREA	CHALLENGES	OBJECTIVES	STRATEGIES
People with disability challenges	• No support for people living with disability – The municipality must coordinate and facilitate programmes together with the District Municipality • No mainstreaming/implemantation of people with disability in municipal employment equity plan to reach 2% set by	Facilitate mainstreaming of the People living with Disability in line with national framework on the disability	to foster partnership, develop and implement localised action plan

	SALGA • Establishment/identification of education and skills development for people living with disability i.e. leanership, awareness campaigns and workshops • Housing needs for people living with disability must be considered when constructing RDP houses		

IDP PRIORITIES IN LINE WITH NATIONAL SPATIAL DEVELOPMENT PLAN, DRAFT NATIONAL DEVELOPMENT PLAN, LIMPOPO EMPLOYMENT GROWTH AND DEVELOPMENT PLAN

MUNICIPAL PRIORITIES	NATIONAL SPATIAL DEVELOPMENT PLAN	THE MEDIUM-TERM STRATEGIC FRAMEWORK (MTSF)	DRAFT NATIONAL DEVELOPMENT PLAN	LIMPOPO EMPLOYMENT GROWTH AND DEVELOPMENT PLAN	12 OUTCOMES OF GOVERNMENT
• Local Economic Development • Water, Sanitation & Refuse Removal. • Roads & Stormwater • Electricity • Sports, Arts, Culture, Recreational Facilities and Cemeteries • Land, Housing and Infrastructure • Good Governance (and Public Participation) • Municipal Financial Viability • Municipal Transformation and Institutional Development • Education • Health (prevention of of HIV/ AIDS and Other Life – Threatening Diseases) and Social Development • Safety and Security	• Rapid economic growth that is sustained and inclusive is a pre-requisite • for the achievement of other policy objectives, among which poverty alleviation is key • Government has a constitutional obligation to provide basic services to • all citizens (e.g. water, energy, health and educational facilities) wherever they • reside. • Beyond the constitutional obligation identified in Principle 2 above, government • spending on fixed investment should be focused on localities of economic • growth and/or economic potential in order to gear up private-sector investment, to • stimulate sustainable economic activities and to create long-term employment • opportunities. • Efforts to address past and current social inequalities	• Halve poverty and unemployment • Ensure a more equitable distribution of the benefits of economic growth and reduce inequality • Improve the nation's health profile and skills based and ensure universal access to basic services • Improve the safety of citizens by reducing incidents of crime and corruption • Build a nation free of all forms of racism, sexism, tribalism and xhemophobia	• **PLANNING** • **PERFORMANCE CULTURE** • **REVIEW OF POWERS AND FUNCTIONS** • **PUBLIC PARTICIPATION** • **ORGANISATIONAL TRANSFORMATION**	• Ensuring more inclusive economic growth, decent work, and sustainable livelihoods • Economic and social infrastructure • Rural development, food security and land reform • Access to quality education • Improved health care • Fighting crime and corruption • Cohesive and sustainable communities • Creation of a better Africa and a better world • Sustainable resource management and use • A developmental state including improvement of public services	• Improve the quality of basic education • Improve heath and life expectancy • All people in South Africa protected and feel safe • Decent employment through inclusive economic growth • A skilled and capable workforce to support inclusive growth • An efficient, competitive and responsive economic infrastructure network • Vibrant, equitable and sustainable rural communities and food security • Sustainable human settlements and improved quality of household life • A response and, accountable, effective and efficient local government system • Protection and enhancement of environmental assets and natural resources • A better South Africa, a better and safer Africa and World • A development-oriented public service and inclusive citizenship

	should focus on • people, not places. In localities where there are both high levels of poverty and • demonstrated economic potential, • In order to overcome the spatial distortions of apartheid, future • settlement and economic development opportunities should be channelled into • activity corridors and nodes that are adjacent to or that link the main growth centres.				

IDP PRIORITIES IN LINE WITH NATIONAL KPAS, LOCAL KPIS AND PERFORMANCE TARGETS

NATIONAL KEY PERFORMANCE AREA (KPA)	PRIORITY/ LOCAL KPA	OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	TYPE OF KPI	BASELINE	PERFORMANCE TARGET TO BE ACHIEVED AT END OF FY
Basic Service Delivery	Water	To provide basic level of water to all households by 2016	% of hh with access to level of water	outcome	100%	100%
		To decrease water losses by 5% per annum	% reduction in water losses	output		4x Quarterly Reports
	Electricity	To provide electricity to all household in formal settlements by 2016	% of households with access to basic levels of electricity	outcome	11 789hh	800hh
	Sanitation	To provide sanitation to all HH in formal Settlements by 2016	% of households with access to basic level of sanitation	outcome	13 874hh	1000hh
	Refuse Removal	To provide refuse removal services to all households in formal settlements.	% of households with access to basic levels 0f solid waste removal	outcome	13 874hh	1000hh
	Roads and Stormwater	To upgrade and rehabilitate % of municipal roads and infrastructure	Km of roads and stormwater upgraded	Output	67.7km paved	2.5 km
Spatial Analysis and Rationale	Land, Housing and Infrastructure	To eradicate housing backlog (4000) by 2016	Number of houses completed	output	4000 housing backlog	100 RDP units Bulk Infrastructure at Ext 9
		To improve and develop integrated sustainable human settlements	% Number of development applications approved in line with planning principles	output	100%	100% of Dev applications approved
Local Economic Development	Local Economic Development	To create a conducive environment for economic development to take place	% number of applications approved within prescribed timeframes	output	80%	90%
			Number of temporary jobs created by private sector	Output	230 in 10/11 fy	4 x Quarterly Reports
			Number of Temporary jobs created by Public sector	output	120 in 10/11 fy	4x Quarterly Reports
			Number of permanent jobs created	output	170 in 10/11	4x Quarterly Reports
Institutional Development and Transformation		To ensure enhanced service delivery with efficient institutional arrangements	Number of staffing policies and strategies developed and approved and % implemented	Output	Two approved Human Resource Policies	Four policies in place (Attendance & Punctuality, Incapacity due to ill-health, Private Work & Declaration Policy, Long Service)

			% budget spent on implementation of WSP	input	100%	100%
			Number of people from employment equity groups employed in the 3 highest levels of management as per employment equity plan	input	5	0
Good Governance and Public Participation	Good Governance	To comply with Chapter 4 of the Municipal Systems Act (Community Participation) annually	% of compliance	Input	100%	100%
		To Strengthen relations of the municipality with stakeholders and the Media annually	Number of press statements issued.	Outcome	4 press statements issued in 2011/12 fy.	4 press statements
		Enhance customer care by 50% by 2012/13.		Outcome	Batho-pele committee in place. Suggestion box in place. Complaint Register.	
		To Improve the understanding of local government system for Councilors and CDWs annually	Number of meetings coordinated	Outcome	Four meetings	Four meetings
Financial Viability and Management		To ensure sound financial management	Debt coverage	Outcome	38% reduction of R 60 million	10% reduction
			Outstanding service debtors	outcome		
			Cost coverage	Outcome		
			Unqualified Audit opinion	outcome	Unqualified opinion	Unqualified opinion
			% of capital budget spent	input	100%	100%

SECTION F: DEVELOPMENT STRATEGIES

INTRODUCTION

The strategic framework presents the long-term development vision, the mission statements; municipal values, associated localized strategic guidelines, objectives and strategies as ranked by priority. The latter serves as guidelines for specific actions that the municipality will undertake and embark upon to ensure the implementation of projects. For practical purpose the performance indicators' formulations are based on the action plans identified in this phase.

LOCALISED STRATEGIC GUIDELINES

INTRODUCTION

The localized strategic guidelines assist in terms of considering the relevance and application of policy guidelines in the local context and give direction to the development of strategies that ultimately result in the identification of projects for local development. The idea behind the development of localized strategic guidelines is to ensure that planning takes into cognizance all relevant policies and legislations which are adapted for local conditions.

LOCALISED STRATEGIC GUIDELINES FOR SPATIAL IMPERATIVES

The principles of the National Spatial Development Perspective (NSDP), White Paper on Spatial Planning, Land Use Management Bill as well as other spatial policies were intended to lay a foundation that guides the preparation of the local "home ground" frameworks (i.e. SDF) and operational action plans (i.e. LUMS) which are assisting the local municipalities to reach sound decisions of regarding the use of land. These principles can be briefly localized as follows:

Table 19: Localised Strategic Guidelines on Spatial Imperative

POLICY AND LEGISLATIVE PRINCIPLES	LOCALISED STRATEGIC GUIDELINES
The NSDP's Economic Growth principle requires the government spending on fixed investments to be focussed on localities of economic potential in order to sustain and stimulate economic activities and create long – term employment.	Bela Bela should ensure that the capacity of existing infrastructure (water, electricity, roads etc.) is sufficient within the identified economic growth points (Bela Bela Urban Areas, Radium, Pienaarsriver and Settlers) and the government should invest in fixed investments (infrastructure and public facilities) within these areas.
The NSDP principle on Integrated Development requires Bela Bela to overcome the spatial distortion of the apartheid, future settlements to be channelled within the nodes and activity corridors which links to the main growth points.	The location of new housing projects should be located within existing urban areas in order to optimise the utilisation of existing infrastructure (e.g. roads, schools, water, clinics, etc.). The new land development (commercial investments) should promote the compaction of the urban area(s) within the Bela Bela Municipality. All social, economic, institutional, physical and environmental issues should be considered during planning processes.
The Land Use Management Bill and Housing Act stipulates that the people should reside closer to the areas where they work.	New housing projects (i.e. Especially Low – Cost and Middle Income Housing projects) must be located within the SDF described nodes and economic hubs to ensure that the residents can easily commute for work.

To harmonize the implementation of the above the municipality also has the Spatial Development Framework which gives the broad direction of future development, desired pattern of land-use, urban edges, special development areas and areas that need conservation. The SDF should also be the mechanism that is used to discourage urban sprawl, discourage land invasions, provision for development of rural and urban areas, promoting environmental sustainability, ensure land use integration, equality and efficiency. In addition to the SDF the municipality has also adopted the Land Use Management Schemes (LUMS) which is a detailed guidance and a control mechanism for land use at the local level to support the implementation of the SDF.

LOCALISED STRATEGIC GUIDELINES FOR ECONOMIC DEVELOPMENT

The principles of Accelerated and Shared Growth Initiative of South Africa (ASGiSA), Limpopo Growth and Development Strategy (PGDS) and National Framework on Local Economic Development are crucial in ensuring that all the government agencies are gearing themselves toward creating a good climate for the economy to be sustained in a manner that can best benefit the larger community. These principles can be localized as follows:-

Table 20: Localised Strategic Guidelines on Economic Development

POLICY AND LEGISLATIVE PRINCIPLES	LOCALISED STRATEGIC GUIDELINES
ASGiSA brought a mandate of halving poverty by 2014 within the country. This mandate is further intensified by the objective to reduce unemployment by 30% and ensuring economic growth of 6% by 2014.	There are a lot of vigorous efforts required by Government institutions (including the municipality) to ensure that this is realised and that includes ensuring that the (1) state institutions are efficient and Red tape is cleared, (2) creating better conditions for business, (3) closing the skills gap in short and long term, (4) linking the 1st and 2nd economy and (5) ensuring that women, youth and disabled have access to finance (micro – to – mega bucks) if they demonstrate bankable entrepreneurship skills, those who are in the second economy must be fast – tracked out of it, ensuring their participation in agriculture or creative industries and increasing their participation in EPWP.
National Framework on Local Economic Development stipulated the Governments vision on "Robust and inclusive local economies exploiting local opportunities, real potential and competitive advantages addressing local needs and contributing to national development objectives."	It should be noted that the sole purpose of the National Framework on LED was to instil passion of ensuring that the local municipalities craft and implement the realist, credible and practical Economic Development Strategies that will ensure that economic potential of all areas is fully exploited, the competitive and comparative advantages of each individual area are appropriately and creatively used to meet the local needs. Bela Bela has robustly moved towards through the preparation of the credible strategy for Local Economic Development. The fundamental issue now is the implementation of this strategy which requires even more efforts from various spheres government, the private sector and the local community.
The Limpopo PGDS target is to increase economic growth of the province by 9% from 2001 – 2010 and 12% by 2010 – 2020 through capitalizing on existing economic clusters and positioning the province for international competitiveness. [i.e. Economic Clusters are mining, agriculture (horticulture and food processing – red and white meat), logistics, forestry and tourism]	The leading sectors within Bela Bela (which are the distinguished features of Limpopo PEGS) are Tourism and Agriculture. Bela Bela should therefore capitalize on investing these economic clusters in order to grow its economy, create an enabling environment for the entrance of SMMEs, BEE and Job Creation.

Bela Bela Municipality has prepared a Local Economic Development Strategy for its area of jurisdiction this strategy is due to be adopted within before the end of 2008/ 09 financial year. This new LED strategy will therefore serve as an instrument that Bela Bela will use to grow its economy in line with the above legislative requirements.

LOCALISED STRATEGIC GUIDELINES FOR ENVIRONMENT MANAGEMENT

Although there is a plethora of legislation addressing environmental issues in South Africa, the National Environmental Management (NEMA) incorporates all the principles governing environmental issues and should serve as the basic planning principle. The fact that different municipalities will have different developmental objectives (e.g. Metropolitan Areas in Gauteng and district municipalities in the predominantly rural Limpopo Province) makes it more imperative to adhere to the basic planning principles. A key principle that governs the relationship between development and nature is the belief that what benefits us today, should also benefit future generations. The table below is the localized environmental strategic guideline.

Table 21: Localised Strategic Guidelines on Environmental Management

POLICY AND LEGISLATIVE PRINCIPLES (NATIONAL ENVIRONMENTAL MANAGEMENT ACT – NEMA)	LOCALISED STRATEGIC GUIDELINES
Avoiding the pollution and degradation of the environment.	Bela Bela intends to develop an Environmental Management Plan which will serve as a proactive mechanism to ensure that pollution and degradation of the environment is minimized and where possible avoided.
Avoiding waste, ensuring recycling or disposal in a responsible manner.	Identifying sources of waste and implementing source – based controls, storage and final disposal. Encouraging recycling as a method of ensuring a responsible manner of final disposal.
Minimising and remedying negative impact on the environment	Developing environmental remedy plans to reverse or try to reverse

and on peoples environmental rights	environmental damage that may have been caused by the envisaged projects.
Considering the consequences of the exploitation of non – renewable natural resources.	Conducting environmental studies on areas that have non – renewable resources to determine the possibility of avoiding their exploitation.
Avoiding jeopardising renewable resources and ecosystems.	Developing mechanisms that will eliminate jeopardising renewable resources and seek to replace resources lost.
Paying specific attention to sensitive, vulnerable, highly dynamic or stressed ecosystems.	Identifying these areas and placing restrictions on activities that may cause irreversible damage.
Minimising loss of biological diversity.	Ensuring that damage is speedily corrected.
Avoiding disturbance of cultural heritage sites	Identify and declare cultural sites and formulate bylaws to protect them.

It was previously indicated in section 2.4, that Bela Bela has a number of nature reserves, flora & fauna and other environmental significance areas which require environmental protection and therefore the importance of localizing the environmental issues within Bela Bela is indeed critical.

LOCALISED STRATEGIC GUIDELINES FOR GENDER EQUALITY, SOCIAL TRANSFORMATION AND POVERTY RELIEF

The groups that can be considered to be the most vulnerable in terms of poverty and exclusion are the women, children, disabled and aged. While it is acknowledged that the most appropriate and sustainable manner of improving the lives of the society who experience poverty is through economic development, job creation and skills development it should also be understood that such initiatives does not take place over a short – term period and this therefore necessitate the need for short – term relief measures. Exclusion on the other hand originated as result of the historical trend to regard women as inferior and marginalized in the mainstream economy, society and politics. The localized strategic guidelines in this context will be informed by the supreme law of the country (i.e. Constitution) since it provides the most basic and conscience platform for social transformation in terms of human rights as well as basic needs.

Table 22: Localised Strategic Guidelines on Gender Equality, Social Transformation and Poverty Relief.

POLICY AND LEGISLATIVE PRINCIPLES (CONSTITUTIONAL IMPERATIVES)	LOCALISED STRATEGIC GUIDELINES
Equal rights with regard to housing	Increase the number of female – headed households by providing, where possible, 1/3 of proposed housing projects to women.
Equal rights with regard to land ownership	Property rights, land ownership and security of tenure.
Provision of adequate health and social facilities	Increase frequency of mobile services with maternity facilities and reduce the distance between Rus de Winter and Pienaarsriver and health facilities.
Reduction in poverty amongst women	Allocate where possible, 1/3 of all projects that the municipality embark upon to women including 1/3 of labour projects (i.e. EPWP)
Protection from violence	Establish a community forum, with SAPS, Department of Health and Welfare and NGOs to provide support and counselling to affected women
Affirmative action	Allocate 30% for new recruits in middle and senior management positions.
Legislative measures to realise the above principles and norms	Formulation of policies that address gender related issues.

The government structures with instrumental programmes and projects to tackle poverty and exclusion issues include the Department of Local Government and Housing, Agriculture, Health and Welfare, Land Affairs and the Municipalities. There are also international agencies that are directing their efforts to areas that encounter poverty and these include the UN Food Program and IFAD (International Fund for Agricultural Development). The local municipality can then play a facilitating role to evaluate the effectiveness of these initiatives (e.g. effectiveness of land reform projects in creating emerging black commercial farmers) and offer supports that might be deemed necessary.

LOCALISED STRATEGIC GUIDELINES FOR SERVICE DELIVERY, INSTITUTIONAL ARRANGEMENTS AND GOOD GOVERNANCE

The backlogs in terms of service delivery were inflicted by amongst others the apartheid planning which left the major backlogs within every sphere of public life (i.e. basic services, health, education, public safety etc.). With this background, local government institutions are now faced with the reality of transforming themselves to meet the new constitutional objectives which is to become developmentally orientated. This role requires the local government institutions (i.e. municipality) to organize and manage themselves in fulfilling this service delivery role and that is where the institutional arrangements become important. In order for service delivery and socio-economic development to be sustainable government agencies should embark on integrated planning. Such integrated planning should facilitate a process where the delivery of housing, basic infrastructure, public facilities and private investment take place in spatially combined and synergized manner to address the backlogs.

Table 23: Localized Strategic Guidelines on Service Delivery, Institutional Development and Good Governance

PRINCIPLES AND NORMS	LOCALISED STRATEGIC GUIDELINES
Provision of sustainable basic infrastructure services in line with the Constitutional Mandate and eradication of the backlogs	The municipality has a responsibility to ensure that it utilizes the Municipal Infrastructure Grant in order to eradicate the backlogs through infrastructure development and also ensuring that the existing infrastructure is well maintained.
Transform existing organizational arrangements and cultures	Reviewing the municipal organizational structure in line with the demand and required capacity for service delivery.
Provide a democratic and accountable government to the people.	Mainstreaming public participation in the affairs of the municipality i.e. IDP Rep Forums, Mayoral Imbizo, Community satisfaction surveys etc.
Establish a performance management system to inform institutional reforms and organizational development.	Ensuring that the municipality has a PMS framework in place in order to manage the performance of the municipality in service delivery
Ensure demographic representation in the institution.	Development and revision of the equity plan that also shows a balanced representation of the municipal demographics and ensure that recruitment of staff is consistent with the employment equity plan of the municipality
Ensure gender representation.	Recruitment to be consistent with the Employment Equity plan of the municipality.

It is should also be noted that one of the major challenges in terms of developing the infrastructure to its full extent is the limited funds, since the majority of the small municipalities such as Bela Bela, heavily depend on Municipal Infrastructure Grant (MIG) for infrastructure projects.

SECTION F: 2012/13 FY PROJECTS

KPA1: SPATIAL ANALYSIS AND RATIONAL

STRATEGIC PROGRAMME	BUDGET	FUNDING SOURCE
Township Establishment on Remainder Portion 25 of the Farm at Het bad	R 200 000	OWN
Township Establishment on Remainder the farm Bela-Bela 611KR	R 60 000	OWN
Plotter & Scanner	R 250 000	OWN
Plan Filing Cabinet	R 80 000	OWN

KPA2: BASIC SERVICE DELIVERY

STRATEGIC PROGRAMME	BUDGET	FUNDING SOURCE
Pienaarsrivier/Masakhane cemetery	R 400 000	OWN
Waste and environmental plan	R 500 000	OWN
Parking Meters	R 500 000	OWN
Sports and Recreational Master Plan	R 927 937	OWN
MV Switch Gear Replacement	R1 500 000	OWN
Upgrade HT line in Bela-Bela township	R 300 000	OWN
Standby generator for pump station & Municipal building	R 600 000	OWN
Water service master plans and operation & maintenance plans WC & DMS	R 200 000	OWN
Installation of Stand Pipes at Rapotokwane	R 500 000	OWN
Replacement of Water Meters	R350 000	OWN
Telemetry system for water & sanitation	R 500 000	OWN
Rapotokwane installation of stands pipe network	R 500 000	OWN
Replacement of old water meter	R 350 000	OWN
Road Paving phase 3B	R 3 618 942	MIG
Bulk Infrastructure Bela-Bela x9	R 5 558 457	MIG
License testing ground	R 7 902 600	MIG
Upgrade Moloto street sports facilities	R 1 024 000	MIG

KPA4: MUNICIPAL TRANSFORMATION AND OGANISATIONAL DEVELOPMENT

STRATEGIC PROGRAMME	BUDGET	FUNDING SOURCE
Network Wireless Solution	R 250 000	OWN
4 Servers	R 800 000	OWN

F. 1: 3 - 5 YEAR CAPITAL INVESTMENT FRAMEWORK AND MEDIUM TERM EXPENDITURE FRAMEWORK

Project Description	Location	Cost	Five (5) Year Capital Investment Framework						Source of Funding
				Medium Term Expenditure Framework					
				2012/13	2013/14	2014/15	2015/16	2016/17	
Bulk infrastructure bela bela x9	EXT9	14 734 000		5 558 457.29	5 000 000				MIG
License Testing Ground	Bela Bela Town	7 902 600		7 902 600					MIG
Upgrade Moloto Street Sport Facilities	Bela Bela Township	1 024 000		1 024 000					MIG
PMU Office	Municipal Office	720 000		720 000					MIG
Road Paving Phase 3	Bela Bela Township i.e.	11,960,000		3 618 942.71	2,000,000		-		MIG
Township establishment on remainder portion 25 of the farm at HETBAD	Bela Bela Town	200 000		200 000					BBLM
Building plan filing cabinet	Municipal Offices (PED)	80 000		80 000					BBLM
Township establishment on remainder the farm BELA-BELA 611KR: (roll-over from 2011/12)	Bela Bela Town	60 000		60 000					BBLM
Plotter & scanner (roll-over from 2011/12)	Municipal Offices (PED)	250 000		250 000					BBLM
Pienaars/Masakhane cemetery (roll-over from 2011/12)	Pienaars/Masakhane	400 000		400 000					BBLM
Waste & environmental plan (roll-over from 2011/12)	Municipal Wide	1 000 000		500 000					BBLM
Parking meters	Bela Bela Town	900 000		500 000	400 000				BBLM
Sports and Recreational Master Plan	Bela Bela Township	927 937		927 937					BBLM
Network wireless solution (roll-over from 2011/12)	Municipal Offices	250 000		250 000					BBLM
Four servers (roll-over from 2011/12)	Municipal Offices	800 000		800 000					BBLM
MV Switch Gear replacement (phase 1) – 1,5m (For 7x switching substations)	Municipal Wide	6 906 946		1 500 000	2 703 473	2 703 473			BBLM
Upgrade of HT line in Bela-Bela Township – 0,3m	Bela Bela Township	300 000		300 000					BBLM
Standby generator for pump station & municipal building	Municipal Office & Bela Bela Township	600 000		600 000					BBLM
Water service master plans and operation & maintenance plans – 0,2m wc & dms	Municipal Wide	200 000		200 000					BBLM
Telematry system for water & sanitation – 0,5m	Municipal Wide	500 000		500 000					BBLM
Flexible paved roads i.e. 4km per year	Municipal Wide	4 067 000			4 067 000				BBLM
Limpopo Road Stormwater System	Limpopo road	5 982 830			5 982 830				BBLM
Reitz Street Stormwater system	Reitz street	12 854 920				12 854 920			BBLM
Quagga Road Stormwater	Quagga Road	18 846 390					18 846 390		BBLM

Chris Hani Drive Stormwater system	Chris Road	5 583 984						5 583 984	BBLM
Flea market	Bela Bela town	2 000 000			2 000 000				BBLM
Installation of statistical metering for load profiling and distribution planning	Municipal wide	6 493 469			3 248 734	3 248 734			BBLM
Installation of data loggers for the purpose of quality of supply analysis	Municipal wide	51 149			51 149				BBLM
Staff resources, training and development	Municipal staff	100 600			100 6000				BBLM
Commission a survey of the network which includes production of electronic GIS copy of electrical network geographical routes indicating all equipments, including cables, feeder and line routes	Municipal wide	100 000				100 000			BBLM
Solicit engineering expertise to assist the electrical department in compiling detailed engineering maintenance plans	Municipal wide	250 000			125 000	125 000			BBLM
Develop a database format that produces information detailed enough for effective engineering planning	Municipal wide	150 000				150 000			BBLM
Review of Electrical Master Plan 2011	Municipal wide	200 000					200 000		BBLM
Implement load profile study from survey gathered information	Municipal wide	109 000			109 000				BBLM
MV/LV minisub service, refurbishment	Municipal wide	5 706 975			1 568 260	1 568 260	784 130	854 701	BBLM
Overhead lines: Restitution of 11KVA network- 0,8m Line Protection (Phase 1)	Municipal Wide	1 134 382			880 632	126 875	126 875		BBLM
Underground Cable replacement program(Phase 1) – 1,5m	Municipal Wide	8 392 940			2 098 235	2 098 235	2 287 081	2 492 918	BBLM
Feasibility Study: Bela-Bela Township Main Substation- 0,3m	Municipal Wide	300 000			300 000				BBLM
Automatic Screening – 0,3m (Sewer Plant)	Sewer Plat	300 000			300 000				BBLM
Street names	Municipal Wide	500 000			500 000				BBLM
Fixed Camera	Municipal Offices	350 000			350 000				BBLM
Rehab of Bela-Bela sports grounds	Municipal Wide	2 500 000			2 500 000				BBLM
Wheel bin roll-out	Municipal Wide	5 000 000			5 000 000				BBLM
Leasing of a grader		-							BBLM
Refurbishment of Belabela community hall	Bela Bela Township	-							BBLM

Precast toilets and water taps on the eastern burial site of the cemetery	Bela Bela Township & Town	-							BBLM
Ablution and change room facilities for the general workers in waste division	Bela Bela Town	-							BBLM
Office furniture especially for the new testing station	Bela Bela Town	-							BBLM
Construction of proper stormwater drainage in areas that are prone to flooding	Bela Bela Township	1,000,000			1 000 000		-		MIG
Taxi Shelters in Bela Bela Township	Bela Bela Township	300,000				300,000	-		MIG
Rehabilitation of Streets in Bela Bela Township	Bela Bela Township	3,200,000					3 200 000		MIG
Resealing of roads	Bela Bela Town	1,000,000					1 000 000		Bela Bela Municipality
Upgrading of internal street (19km)	Rapotokwane	17,100,000				700,000	-		Bela Bela Municipality
Paving of access roads to the cemetery	Bela Bela Town	700,000							Bela Bela Municipality
Upgrading of internal roads (28km)	Bela Bela Township	28,000,000				4,150,000.00	-		MIG
Taxi Rank (5000m2)	BB Township	1,925,000			-	1,925,000.00	-		MIG
Taxi Rank (5000m2)	Spa Park	1,925,000			-	1,925,000.00	-		MIG
Street naming	Pienaarsrivier	120 000				120 000			Bela Bela Municipality
Regravel streets	Tsakane	300 000				300 000			Bela Bela Municipality
Erection of thirty six (36) speedhums (Kretchmar, Ludorf, Minaar, Van Der Merwe, Kotze, Sun Valley, Extension 6, Moloto, Leseding, Koot van der Walt, Moraka, Selamolele, Miles, Albert Luthuli "cross road", Manyama, Masemola and Isaac Complex "Ext. 6" and Pienaarsriver)	Bela Bela Town	200,000				200,000	-		Bela Bela Municipality
Replacing streetlights	Pienaarsriver and Bela Bela Town	150,000				150 000			
Replacement of meter boxes	Bela Bela Township	100,000				100 000			
Installation of Bus – coupler at municipal substation	Bela Bela Town	250,000				250 000			
Upgrade Noodhulp line	Bela Bela Town	200,000				200 000			
Upgrade of streetlights in the CBD	Bela Bela Town	145,000				145 000			
Lapa pump station	Lapa	70 000				70 000			
Land Audit and Issuing of Title Deeds	Municipal Wide	1,100,000				1 100 000			
Multi – purpose Centre	Double Storey	4 800 000				4 800 000			
Multi – purpose Centre	Phomolong	4 800 000				4 800 000			
Electronic Security Monitoring System	Bela Bela	150 000			150 000				
Development of Bela Bela landfill site	Bela Bela	1 750 000		1 750 000					WDM
Completion of Bela Bela Street Paving	Masakhane	570 000		570 000					WDM

20 army tents & 3 bales relief blankets	**Bela Bela**	**210 000**			**210 000**				**WDM**

F.2. 2012-13 FINANCIAL IMPLEMENTATION PLAN

INCOME

Based on the above background the following increases were made in terms of the income:

	ADJUSTED BUDGET	2012/2013 DRAFT BUDGET	% INCREASE
OPERATIONAL INCOME			
GRANTS	42,107,000	47,538,000	13%
SERVICE CHARGES	121,832,764	133,965,543	10%
OTHER INCOME	30,151,735	31,047,698	3%
SUB TOTAL	194,091,499	212,551,241	10%
CAPITAL INCOME			
MIG	15,518,000	18,824,000	21%
TOTAL	209,609,499	231,375,241	10%

OPERATIONAL EXPENDITURE

Our total Operational Expenditure has increased from R 203,815 million to R 203,613 million (15% increase) which can be categorized as follows:

	ADJUSTED BUDGET	2012/2013 PROPOSED BUDGET	% INCREASE
SALARIES	66,622,911	76,277,816	14%
COUNCILLORS ALLOWANCE	2,765,251	4,938,406	79%
CONTRACT SERVICES	19,156,721	20,145,250	5%
BULK PURCHASE	47,932,180	54,122,851	13%
OPERATING GRANTS	8,423,656	9,430,000	12%
OPERATING EXPENDITURE	24,772,953	33,938,982	37%
NON- CASH ITEM Provisions	36,457,091	6,500,000	-82%
TOTAL	206,130,763	205,353,304	-0,38%

CAPITAL EXPENDITURE

Our total Capital Expenditure is R 26,021 million which is funded from Municipal Infrastructure Grant(R 18,104) million and own source revenue(R 7,917) million.

	ADJUSTED BUDGET	2012/2013 PROPOSED BUDGET	% INCREASE
MIG	15,518,000	18,104,000	17%
CAPEX- OWN SOURCE	10,006,800	7,917,937	-21%
TOTAL	25,524,800	26,741,937	2%

Our expenditure has been allocated with the view of addressing the six local government performance areas and is divided into Operational and Capital Expenditure.

OPERATIONAL EXPENDITURE

KPA2: BASIC SERVICE DELIVERY

STRATEGIC PROGRAMME	BUDGET 2011/2012	ADJUSTED BUDGET 2011/2012	BUDGET 2012/2013	% INCREASE
Bulk Purchase: Water	R 3 531 350	R 5 094 064	R 5 501 5 89	8
Bulk Purchase : Electricity	R 42 838 117	R 42 838 116	R 48 621 262	13. 50
Maintenance: Streets	R 2 500 000	R 960 924	R 1 010 184	5
Maintenance: Electricity Network	R 1 900 000	R 1 698 302	R 1 862 000	10
Maintenance: Water Network	R 700 000	R 353 059	R 798 700	126
Maintenance: Sewer Network	R 527 000	0	0	0
Contracted Services - Dumping Site	R 1 261 990	R 1 361 990	R 1 550 000	13. 8
Contracted Services- Traffic	R 807 476	R 607 476	R 1 200 000	97.5
Parks and Grounds	R 450 000	R 371 966	R 392 000	5

KPA3: LOCAL ECONOMIC DEVELOPMENT

STRATEGIC PROGRAMME	BUDGET 2011/2012	ADJUSTED BUDGET 2011/2012	BUDGET 2012/2013	% INCREASE
LED Support	R 200 000	R 160 874	R 392 000	144

KPA4: MUNICIPAL TRANSFORMATION AND OGANISATIONAL DEVELOPMENT

STRATEGIC PROGRAMME	BUDGET 2011/2012	ADJUSTED BUDGET 2011/2012	BUDGET 2012/2013	% INCREASE
Employee related costs	R 67 822 911	R 66 622 911	R 76 277 816	14
Remuneration to Councillors	R 2 765 251	R 2 765 251	R 4 938 406	79
Employee Wellness	R 400 000	R 261 744	R 196 000	-25
Contracted Services : Security	R 2 170 358	R 1 866 000	R 2 100 000	13
Contracted Services: Legal	R 1 857 461	R 1 457 461	R 800 000	-45
Contracted Services- Computer Licenses & Contracts	R 2 064 787	R 3 475 861	R 4 041 250	16

KPA5: MUNICIPAL FINANCIAL VIABILITY

STRATEGIC PROGRAMME	BUDGET 2011/2012	ADJUSTED BUDGET 2011/2012	BUDGET 2012/2013	% INCREASE
Contracted Services-External Audit	R 1 375 000	R 1 125 000	R 1 120 000	-0.44
Contracted Services- SARS Audit (VAT)	R 800 000	R 800 000	R 800 000	0.00
Contracted Services- Meter Reading	R 1 290 190	R 1 290 190	R 1 400 000	8.5
Contracted Services- Debt Collection	R 1 009 456	R 1 009 456	R 400 000	-60.37
Risk and Asset Management	R 1 465 000	R 1 324 901	R 1 370 000	3.4
Depreciation and Assets impairment	R 7 077 440	R 34 141 977	R 3 500 000	Cost model (-897)
Contracted Services- Licensing	R 5 763 287	R 5 763 287	R 6 124 000	6.2

KPA6: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

STRATEGIC PROGRAMME	BUDGET 2011/2012	ADJUSTED BUDGET 2011/2012	BUDGET 2012/2013	% INCREASE
SALGA	R 320 000	R 489 398	R 441 000	-10
Community Outreach Programmes	R 450 000	R 453 966	R 294 000	-35.2
External Communication	R 100 000	R 90 437	R 98 000	8
Imbizos	R 70 000	R 128 889	122 500	-5
Ward Committees	R 1100 000	R 915 000	R 1 100 000	20

CAPITAL EXPENDITURE

KPA1: SPATIAL ANALYSIS AND RATIONAL

STRATEGIC PROGRAMME	BUDGET	FUNDING SOURCE
Township Establishment on Remainder Portion 25 of the Farm at Het bad	R 200 000	OWN
Township Establishment on Remainder the farm Bela-Bela 611KR	R 60 000	OWN
Plotter & Scanner	R 250 000	OWN
Plan Filing Cabinet	R 80 000	OWN

KPA2: BASIC SERVICE DELIVERY

STRATEGIC PROGRAMME	BUDGET	FUNDING SOURCE
Pienaarsrivier/Masakhane cemetery	R 400 000	OWN
Waste and environmental plan	R 500 000	OWN
Parking Meters	R 500 000	OWN
Rehab of Bela-Bela sports grounds	R 927 937	OWN
MV Switch Gear Replacement	R1 500 000	OWN
Upgrade HT line in Bela-Bela township	R 300 000	OWN
Standby generator for pump station & Municipal building	R 600 000	OWN
Water service master plans and operation & maintenance plans WC & DMS	R 200 000	OWN
Installation of Stand Pipes at Rapotokwane	R 500 000	OWN
Replacement of Water Meters	R350 000	OWN
Telemetry system for water & sanitation	R 500 000	OWN
Rapotokwane installation of stands pipe network	R 500 000	OWN
Replacement of old water meter	R 350 000	OWN
Road Paving phase 3B	R 3 618 942	MIG
Bulk Infrastructure Bela-Bela x9	R 5 558 457	MIG
License testing ground	R 7 902 600	MIG
Upgrade Moloto street sports facilities	R 1 024 000	MIG

KPA4: MUNICIPAL TRANSFORMATION AND OGANISATIONAL DEVELOPMENT

STRATEGIC PROGRAMME	BUDGET	FUNDING SOURCE
Network Wireless Solution	R 250 000	OWN
4 Servers	R 800 000	OWN

F.3. PROPOSED PROJECTS/PROGRAMMES OF SECTOR DEPARTMENT

FACILITY NAME	MUNICIPALITY	TYPE OF STRUCTURE	WHAT IS REQUIRED	ESTIMATED COSTS	PRIORITY 2011/2012	PRIORITY 2012/2013
Pienaarsrivier clinic	Bela Bela	Clinic and staff accommodation, Security Guard Houses	Medium clinic with 04 nurses accommodation, Guard house, palisade fence & standby generator.		×	
Bela Bela Township clinic	Bela Bela	Clinic and staff accommodation, Security Guard Houses	Medium clinic with 04 nurses accommodation, Guard house, palisade fence & standby generator.		×	
Warmbaths Hospital	Bela Bela		Hospital Revitalization			×

DEPARTMENT OF SPORT, ARTS AND CULTURE (DSAC)

No	Project Name	Project Description	District	Local Municipality and Location	Implementing Agent	Planning and Design		Period of Implementation Budget		
						FY	Budget	2012/13	2013/14	2014/15
Arts and Culture										
1.	Social Cohesion	Public Participation.	Waterberg	All local municipalities	Arts and Culture	N/A	N/A	R1080,000 (R43,200 per Local Municipality) R216,000 for the District Municipality	R0	R0
	Sport Development									
2.	Legacy Project	Establishment of clubs	Waterberg	Mogalakwena; Mookgopong; Modimolle; Bela-Bela, Lephalale; Thabazimbi	DSAC	N/A	N/A	R426,000 (71 000 per Local Municipality)	R468 600 (R78,100 per Local Municipality)	R515 ,460 (R85,110 per Local Municipality)
6.	Legacy Project	Support for Sport Councils	Waterberg	Mogalakwena; Mookgophong; Modimolle; Bela-Bela, Lephalale; Thabazimbi	DSAC	N/A	N/A	R334 ,400 (R55,733 per Local Municipality)	R377, 840 (R62,973 per Local Municipality)	R414, 424 (R69,070 per Local Municipality)

No	Project Name	Project Description	District	Local Municipality and Location	Implementing Agent	Planning and Design		Period of Implementation Budget		
						FY	Budget	2012/13	2013/14	2014/15
8.	Legacy Project	Training of Sport Administrators	Waterberg	Mogalakwena; Mookgopong; Modimolle; Bela-Bela, Lephalale; Thabazimbi	DSAC	N/A	N/A	R105 ,300 (R17550 per Local Municipality)	R115 ,830 (R19,305 per Local Municipality)	R127, 413 (R21,235.50 per Local Municipality)
	Recreation									
28.	Siyadlala mass participation	Support to Mass Participation hubs	Waterberg(14 hubs)	Bela Bela	DSAC	N/A	N/A	R98,120.00	R107 932.00	R118,725.20
29.		Support to coordinator (stipend)	Waterberg(14 coordinators	Bela Bela	DSAC	N/A	N/A	R63,574.06	R69,931.47	R76,924.62
30.		Training of coordinator as coaches, technical officials and administrators	Waterberg(14 coordinators) NB: R553,903.23	All Local Municipalities	DSAC	N/A	N/A	R39,564.52 (Per Local Municipality) District budget: R1,345,440.00)	R43,520.97 (Per Local Municipality)	R47,873.06 (Per Local Municipality)
	School Sport									
31.	School Sport Mass Participation Programme	Support to schools with equipments and kits	Waterberg(108 schools)	Bela Bela	DSAC	N/A	N/A	R224,240.00	R246,664.00	R271,330.40
32.		Training of educators as coaches and technical officials	Waterberg	Bela Bela	DSAC	N/A	N/A	R119, 600. 00	R131,560.00	R144,716.00
33.		Support to coordinators	Waterberg(04 coordinators)	Bela Bela	DSAC	N/A	N/A	R56,631.71	R62,294.97	R68,524.46

DEPARTMENT OF CO-OPERATIVE GOVERNANCE, HUMAN SETTLEMENTS AND TRADITIONAL AFFAIRS

Building of 100 RDP Houses at Bela Bela, Leseding = R5 465 000

G. INTEGRATION PHASE

G.1. ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM

THE SYSTEM IS CURRENTLY BEING REVIEWED.

G1.1. LEGISLATIVE BACKGROUND: PERFORMANCE MANAGEMENT SYSTEM

G1.1.2. OVERVIEW

A performance Management System refers to the processes and systems for measuring, monitoring, reviewing, assessing performance, and then initiating steps to improve performance within the organization by focusing on departments, managers, supervisors and individual workers. PMS is a legal requirement and it is enforced by the Municipal Systems Act (MSA), Municipal Finance Management Act (MFMA), Municipal Planning and Performance Management Regulations (2001).

The system is intended to continuously monitor the performance of municipalities in fulfilling their developmental mandate. Central to the system is the development of key performance indicators as an instrument to assess performance.

G.1.1.3. POLICIES AND LEGISLATIVE FRAMEWORK FOR PERFORMANCE MANAGEMENT

The framework for Performance Management is informed by the following policy and legislation on performance management:

• The Constitution (1996)

• The Batho Pele White Paper (1998)

• The White Paper on Local Government (1998)

• The Municipal Systems Act, Act 32 of 2000

• Municipal Planning and Performance Management Regulations (2001)

• Municipal Financial Management Act 56 of 2003 (MFMA)

• Municipal Planning and Performance Management Regulations (2006)

The Municipal Systems Act, No. 32 of 2000, states that a municipality must:

- Develop a Performance Management System
- Set targets, monitor and review performance based on indicators linked to their Integrated Development Plan (IDP)
- Publish an Annual Report on performance for the councilors, staff, the public and other spheres of Government
- Conduct an internal audit of performance before tabling the report
- Have their annual performance report audited by the Auditor-General
- Involve the community in setting indicators and targets and reviewing municipal performance

The Local Government: Municipal Planning and Performance Management Regulations, 2001, Section 7(2) require that the Municipality, in developing its Performance Management System, must ensure that the system:

- Complies with all the requirements set out in the Municipal Systems Act
- Demonstrates how it is to operate and be managed from the planning stage up to the stages of performance review and reporting
- Clarifies the roles and responsibilities of each role player, including the local community, in the functioning of the system
- Clarifies the processes of implementing the system within the framework of the Integrated Development Planning process
- Determines the frequency of reporting and the lines of accountability for performance
- Relates to the Municipality's Employee Performance Management processes

Furthermore, Section 43 of the Regulations prescribes the following seven general key performance indicators:

- The percentage of households with access to basic level of water, sanitation, electricity and solid waste removal
- The percentage of households earning less than R1,100-00 per month with access to free basic services
- The percentage of the municipality's capital budget actually spent on capital projects in terms of the IDP
- The number of local jobs created through the municipality's local, economic development initiatives, including capital projects
- The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan
- The percentage of a municipality's budget actually spent on implementing its workplace skills plan
- Financial viability with respect to debt coverage; outstanding debtors in relation to revenue and cost coverage

The Local Government Municipal Performance Regulations, 2006:-

- Seeks to set out uniform manner to monitor and improve the performance of the Municipal Manager and the Managers directly accountable to the Municipal Manager.
- Set the standard requirements for the context of the Employment Contract and Performance Agreement that is entered of the Municipal Manager and the Managers that are directly accountable to him
- Base the assessment of the Municipal Managers performance on outcomes (performance indicators) identified as per the performance plan which are linked to the KPA's, which constitute 80% of the overall assessment result. The KPAs identified in that regard is Basic Service Delivery, Municipal Institutional Development and Transformation, Local Economic Development (LED), Municipal Financial Viability and Management, and Good Governance and Public Participation
- In the case of managers directly accountable to the municipal manager, the key performance areas related to the functional area of the relevant manager must be subject to negotiation between the municipal manager and the relevant manager
- The respective manager is also assessed based on the Core Competency Requirement (CCR) which must make up the other 20% of the employee's assessment score. The CCR comprises of the Core Managerial Requirement (i.e. Strategic Capability and Leadership, Programme and Project Management, Financial Management, Change Management, Knowledge Management, Problem Solving and Anaylsis, Service Delivery Innovations, People Management and Empowerment, communication, Honesty and Integrity) and
- Core Occupational Competency (i.e. Self Management, Implementation and Intepretation of legislations and National Policy Frameworks, Knowledge of developmental local government and Performance Management and Reporting, knowledge of global and South African Political, Social and Economic Context, knowledge of more than one functional field in the municipality, skills in governance and mediation, exceptional and dynamic creativity to improve the functioning of the municipality)

The objective of institutionalizing a Performance Management System (PMS), beyond the fulfilling of legislative requirements, is to serve as a primary mechanism to monitor, review and improve the implementation of the Municipality's IDP. In doing so, it should fulfill the following functions:

• Promote accountability

• Guide decision-making and resource allocation

• Guiding development of municipal capacity-building programmes

• Creating a culture of best practice, share learning among Municipalities

• Develop meaningful intervention mechanisms and early warning system

• Create pressure for change at various levels

• Contribute to the overall development of a Local Government system

G.2. IMPLEMENTATION OF PERFORMANCE MANAGEMENT SYSTEM IN BELA BELA LOCAL MUNICIPALITY

G.2.1 BACKGROUND

In compliance with the basic requirement of Chapter 6 of the Municipal Systems Act (2000), Bela Bela Local Municipality prepared the policy framework for implementing Performance Management System (PMS) in 2006. The municipality facilitates the implementation of this framework on an on – going basis as a tool to meet the targets that are outlined on the municipal objectives and priorities as entailed in the comprehensive Integrated Development Plan (IDP). The Service Delivery and Budget Implementation Plan (SDBIP) is prepared on an annual basis to monitor the implementation of the IDP and Budget in the immediate term. The SDBIP captures the IDP capital projects and other municipal operational activities which have been resourced with funding and human capital for the current financial year and set the measurable annual and quarterly targets for Council to be able to monitor development on the ground versus what has been planned. It is also through the SDBIP that Bela Bela Management report to the Municipal Council in a structured manner (i.e. Monthly and Quarterly) and the performance of the Municipal Manager and Section 57 Managers is thus monitored.

The Municipal Manager is directly responsible for the Performance of the Municipality, but due to the vast responsibilities of the Municipal Manager the responsibility to monitor performance is currently delegated to the direct line managers and current structure of the personnel responsible for PMS in Bela Bela can be briefly outlined as follows:-

⇒ Planning and Economic Development (IDP/ PMS Office) – this office is responsible for the development and review of the Municipal Integrated Development Plan, compilation of the Service Delivery and Budget Implementation Plan, consolidation of the SDBIP quarterly reports for Council, Mid – Year Budget and Performance Report, Annual Performance Report and co –

ordination other ad hoc municipal performance reporting (i.e. Five Year Local Government Strategic Agenda, Reports on Service Delivery Challenges etc.)

⇒ Corporate Services (Human Resources) – this office is responsible for the preparation of the Section 57 manager's performance contracts and plans, undertaking of individual performance assessment in line with SDBIP and recommendations on performance appraisal.

⇒ Budget and Treasury (Budget and Reporting) – this office is responsible for monitoring the municipality's performance in terms of financial expenditure in line with the IDP, Budget and SDBIP. This also includes consolidation of monthly and quarterly financial reports that are part of the SDBIP quarterly reports, Mid Year Report and Annual Report.

⇒ Office of the Municipal Manager (Internal Auditing) – this office of the Internal Auditor is mainly responsible for performance audit in order to ensure that performance management is implemented in a manner that complies with the legislations. This office also serves as internal advisory to the existing personnel responsible for PMS and co – ordinate the Audit Committee meeting.

⇒ Independent Advisory (Audit Committee) – The Audit Committee is responsible for commissioning in-depth performance investigations where there is either continued poor performance, a lack of reliability in the information being provided or on a random ad-hoc basis. The performance investigations should assess the reliability of reported information, the extent of performance gaps from targets, the reasons for performance gaps, corrective action and improvement strategies. While the internal audit may be used to conduct these investigations, it is preferable that external service providers, preferably academic institutions, who are experts in the area to be audited, should be used.

G.2.2 CURRENT CHALLENGES

Despite the above efforts by Bela Bela Municipality to robustly implement PMS, there are a number of challenges that still exists. At a policy framework level there are gaps in terms of meeting the legislative requirements including the mechanisms of conducting public participation on the PMS. The matters pertaining to public participation are currently being undertaken at the level of the Integrated Development Plan and not at the level of Performance Management System. Nevertheless during the 2008/ 09 and 2009/10 financial years the municipality has to a greater extent attempted to overcome this through ensuring that all the quarterly reports are made available on the municipal's website and the annual report is made public in order to invite public comments. The municipality reviewed the PMS policy framework during 2011/12 in an attempt to address all the above mentioned gaps and this will also assist in ensuring that the municipality is able to cascade performance management down to middle management and the rest of the officials.

G.1.3. STATUS OF SECTOR PLANS

BELA BELA SPATIAL DEVELOPMENT FRAMEWORK

The Reviewed SDF was adopted by council in September 2011.

BELA BELA LAND USE MANAGEMENT SYSTEM (LUMS)

In 2008, Bela Bela Municipality adopted a municipal wide Land Use Management Scheme in order to manage and control land use within Bela Bela Area of jurisdiction. This meant that Land-use Control and Management within Bela-Bela Local Municipal was simplified into a single and uniform land-use management system (specifically a land-use/zoning scheme for the total municipal area). The Spatial Development Framework operates as a broad and indicative plan indicating the desired patterns of land-use, directions of growth, urban edges, priority development areas and areas where stricter land-use control should be enforced. This plan has a legal effect of guiding and informing land development and management. The detail administration of land development and land-use changes is being dealt with by a Land-Use Management Scheme (LUMS) for the whole municipal area. A direct link must exist between the Spatial Development Framework Plan, the LUMS, the municipality's budget and the capital expenditure framework because:

⇒ the rights recorded in the scheme determine the value of land which influence the rates and income of the municipality; and

⇒ any new development or change in land-use has to be adequately serviced by infrastructure and the capital expenditure framework will indicate where the municipality is able to allocate funds for the upgrading of infrastructure.

LUMS include a land-use or zoning scheme recording the land-use and development rights and restrictions applicable to each property (i.e. farm portion or erf). The scheme should be binding and only amended where required for a particular development and to meet certain requirements, with the most important being conformity with the Spatial Development Framework Plan. The latter influences the contents of the Scheme. A zoning or land-use scheme has a binding effect on land development and management.

BELA BELA WATER SERVICES DEVELOPMENT PLAN (WSDP)

Bela Bela Local Municipality is a Water Service Authority. The municipality has compiled a (WSDP) and it was assisted by the DWAF (Dept. of Water Affairs and Forestry) and private service provider in finalizing it. This plan is due for submission and

approval by the Municipal Council. The context of this IDP particularly on the proposed water and sanitation bulk infrastructural needs has been informed by this draft WSDP.

BELA BELA COMMUNICATION STRATEGY

Bela Bela Municipality prepared and adopted the 2007 – 2012 Communication Strategy in August 2007. The purpose of the communication strategy is to enable the municipality, both Council and Management, to communicate in an efficient, co-ordinated, integrated and coherent fashion thus building capacity, both human and capital, within the Municipality with a view of ensuring that the municipality's central messages will be well articulated, consistent with the national GCS.

BELA BELA RISK MANAGEMENT PLAN (RMP)

The municipality is currently having the draft plan (RMP) and it was adopted by council in June 2009. The purpose of this plan is to ensure the efficient and effective internal controls within the institution.

BELA BELA FRAUD AND ANTI – CORRUPTION STRATEGY (FAC)

The municipality the plan (FAC) and it was adopted by council in June 2009. The purpose of this plan is to ensure that the municipal institution is free from illegal activities relating to fraud and ccorruption.

BELA BELA LOCAL ECONOMIC DEVELOPMENT STRATEGY (LED)

Bela Bela Municipality has reviewed its Local Economic Development Strategy with the assistance of the Department of Local Government and Housing. This plan was adopted by Municipal Council during September 2009. The development of an LED Strategy therefore has focused on the strengths of the economy (sectors with locational, comparative and competitive advantage) and overcoming the weaknesses in the current LED approach. The LED strategies has been crafted in a manner that will guide the Bela Bela on how to take advantage of economic opportunities, mitigate weaknesses in the economy and assist in the development of an appropriate institutional environment (internally and externally). The economic context, economic strategies and projects/ initiatives that appear on this IDP have been informed by the draft LED strategy.

BELA BELA TOURISM DEVELOPMENT STRATEGY

The municipality has a tourism plan which mainly focused on the identification of tourism products within Bela Bela. The municipality is intending to review and redevelop the tourism development plan and the marketing strategy. The revised strategy should be credible with a robust analysis and quantification of the existing industry and formulate the long term sustainable strategy for tourism development.

BELA BELA ROAD AND STORMWATER DRAINAGE MASTER PLAN

The municipality has developed the Road and Stormwater Master Plan which was adopted by Council in March 2012

BELA BELA INFRASTRUCTURE CAPITAL PLAN

The municipality is has conducted an Infrastructure Capital Study and produced a draft plan which is due for Council adoption. The purpose of this plan is to guide the municipality in terms of infrastructure requirements within the key growth points of the municipal area. The context of roads and stormwater infrastructure needs, strategies and projects which appears in this IDP document has been informed by this plan.

BELA BELA MUNICIPAL HOUSING PLAN

The municipality has developed the Municipal Housing Plan ("Housing Chapter") which was adopted by Council in June 2009. The context of housing and proposed housing projects that appear on this IDP document were informed by this housing plan. However, the plan is outdated

AREA BASED PLANS: LAND REFORM

The Land Reform is the competency of the Department of Land Affairs and the Land Claims Commission. The Department of Land Affairs has appointed the service provider to prepare the Area Based Plan of Waterberg District and Bela Bela and the municipality has been involved in this process. Nevertheless the municipality is not aware of any draft plans which have been prepared at this stage.

BELA BELA PMS POLICY FRAMEWORK

The municipality has a PMS Policy Framework in place. The PMS was reviewed and subsequently adopted in December 2009, to address the shortcomings that were identified on the section of Organizational Performance Management additional sections on individual performance, especially to officials below section 57 levels.

BELA BELA ELECTRICITY SERVICES PLAN/MASTER PLAN

The Electricity Services Plan/Master Plan for Bela Bela Municipality is in-pace and was reviewed and approved in 2011/12 financial year.

BELA BELA INDIGENT POLICY

The municipality prepared and adopted the indigent policy for Bela Bela Municipal Area in June 2007. This policy was reviewed during 2009/ 10 financial year.

BELA BELA EPWP PROGRAMME

The municipality participates actively on the EPWP initiatives based on the criteria as set by the provincial Department of Public Works. Nevertheless there is no sector plan in place within Bela Bela which serves as the guide towards the implementation of the EPWP Programme.

BELA BELA HIV/ AIDS POLICY

The municipality does not have the HIV/ AIDS Policy in place.

BELA BELA FINANCIAL STRATEGY

The municipality prepared the Financial Strategy which has been incorporated within this IDP document.

BELA BELA FINANCIAL RECOVERY PLAN

The municipality prepared the Financial Recovery Plan and it was presented to the Municipal Manager's Forum in April 2008.

BELA BELA HUMAN RESOURCE POLICY

The municipality has prepared and adopted this policy in May 2008

BELA BELA INSTITUTIONAL PLAN

The municipality does not have the Insitutional Development Plan place.

BELA BELA WORKPLACE SKILLS DEVELOPMENT PLAN

The municipality prepares and submits the Workplace Skills Plan to the Department of Labour for each financial year.

BELA BELA MUNICIPAL RECRUITMENT AND SELECTION POLICY

The municipality has prepared and adopted the Recruitment and Selection Policy by May 2008.

BELA BELA STAFF RETENTION POLICY

The municipality prepared and adopted the staff retention policy in May 2008.

BELA BELA ENVIRONMENTAL MANAGEMENT PLAN

The municipality does not have the Environmental Management Plan in place.

BELA BELA WASTE MANAGEMENT PLAN

The municipality does not have the Waste Management Plan in place.

WATERBERG DISASTER MANAGEMENT FRAMEWORK

Waterberg District Municipality adopted the District Disaster Management Plan which was also mainstreamed on the 2007/ 08 Integrated Development Plan. The purpose of the Disaster Management Plan is to provide a basis of planning disaster interventions and prevention strategies and to afford the Bela-Bela Municipality the capacity to prevent and deal with disaster and to avoid developments which are likely to be subject to high risk of disaster. The summary of this plan is attached as Annexure A.

WATERBERG WASTE MANAGEMENT FRAMEWORK

Waterberg District Municipality adopted the Waste Management Framework in 2007.

WATERBERG AIR QUALITY MANAGEMENT PLAN

The district municipality does not currently have an Air Quality Management Plan in place.

WATERBERG TOURISM DEVELOPMENT STRATEGY

The district wide tourism development strategy was prepared and adopted in 2006. The strategy captured that tourism is one of the three key pillars of the economy within the district followed by mining and agriculture. There are a number of strengths and weaknesses that the strategy identified at the analysis stage. The strengths include the nature based attractions with supporting products e.g. wilderness, tranquility, unspoiled & unpolluted environment and hospitality are the main themes.

The weakness include poor infrastructure especially roads, tourism products are not properly branded e.g. Accommodation, rail tourism is not capitalized upon, shortage of tour guides skills, education of SMMEs on business management and expansion, fragmented institutional arrangements (i.e. poor communication, poor relationship between tourism public & private bodies and lack of proper reporting lines), few public and private sector partnership, no transformation in the tourism sector and the utility services (i.e. water, electricity and telecommunication) are a growing problem.

The district tourism vision was then developed as follows:-

"To position the Waterberg as a leading weekend, shortbreak, holiday, meetings and events destination for domestic travellers and a new "must see" destination for international business and leisure tourists"

In order to support the implementation of this vision the objectives, strategies and implementation programmes were then developed as part of the strategy.

WATERBERG AGRICULTURAL DEVELOPMENT STRATEGY

The district wide agricultural development strategy was prepared in 2005. This strategy made the followed recommendations with regards to the agricultural development within Waterberg:-

- Waterberg is a unique area with high agricultural and agri tourism potential. A lot of this potential is being realised at primary production level. Value and wealth is being lost outside the district both up and down the value chain.
- Local government (Municipalities) has two major roles to play in order to help to fine tune a relatively well-developed commercial agricultural & agri-tourism sector. Help nurture and develop the emerging agricultural sector to integrate into mainstream commercial agriculture.
- Need for good governance, sound management, maintenance and development of bulk infrastructure. Enabling and facilitating environment – law & order, stable property values & efficient rates and taxes.
- Building and preparation of adequate resources to assist emerging agriculture – interim implementation structure & other resource gaps.

WATERBERG ENVIRONMENTAL MANAGEMENT PLAN

The district wide Environmental Management Plan was prepared in September 2006. The context of this plan has been mainstreamed on 4.6 which is the environmental analysis for Bela Bela.

WATERBERG INTEGRATED TRANSPORT PLAN

Waterberg District prepared the Integrated Transport Plan in 2007. The preparation of the Integrated Transport Plan is enforced by Section 27(2) of the NLTTA which indicates that the ITP must formulate the planning authority's official vision, policy and objectives, consistent with the national and provincial policies, with due regard being given to any relevant integrated development planning or land development objectives. This plan is attached as Annexure B.

WATERBERG LED STRATEGY

The district wide LED Strategy was prepared and adopted in 2007. The purpose of this study was to investigate the economic development opportunities in the district. As part of the process which was used to develop the district wide LED strategy, the various sectoral and functional strategies were also combined into the LED strategy. This enabled an LED implementation plan that guides implementation and facilitation of initiatives. The District LED strategy is also focused on potential development of a range of sectors and not only on a specific few.

WATERBERG MINING STRATEGY

Waterberg District prepared and adopted the Mining Strategy in 2006. The purpose of this strategy was to provide Waterberg District with a policy instrument by which leadership and strategic direction can be given to the mining industry for increased competitiveness on a sustainable basis, increased investment as a basis for job creation and economic growth, and improvements in the quality of life of the district population, including priorities such as BEE, as well as reductions in HIV/AIDS and poverty, regional integration. This strategy noted that Bela Bela role in terms of mining is insignificance with a very limited potential in terms of mineral resources occurrence.

H. 2012-13 CAPITAL IMPLEMENTATION PLAN (SDBIP)

DIVISIONAL MANAGER: PARKS, CEMETERIES AND COMMUNITY SERVICES

KPIA2: BASIC SERVICE DELIVERY

IDP OBJECTIVE:

- Improved access to the sport, recreational, art, cultural and community facilities within Bela Bela Municipal Area.

Indicator	Unit of Measurement	Baseline	Annual Target	Revised Target	Annual Budget	QTR Ending 30 Sept 2012		QTR Ending 31 Dec 2012		QTR Ending 31 Mar 2013		QTR Ending 30 Jun 2013		Responsible Official	Explanation of Variance
						Proj	Act	Proj	Act	Proj	Act	Proj	Act		
Pienaars/Masakhane Cemetery (Roll-over from 2011/12)	No of cemeteries	Designs in place Contractor appointed Site handover done	Established cemetery in Masakahane		R400 000	Construction at 30%		Construction at 65%		Construction at 100% (completed)				Manager Social Services/ DM Parks	
QUARTERLY CASHFLOW PROJECTIONS						R100 000		R150 000		R150 000				Manager Social Services/ DM Parks	
Sports Master Plan	Completed plan	No Master Plan in place	Completed and approved Sports Master Plan		R927 937	Specifications in place Contractor appointed		Development at 50%		Development at 75%		Development at 100% (completed)		Manager Social Services/ DM Parks	
QUARTERLY CASHFLOW PROJECTIONS								R250 000		R500 000		R177 937		Manager Social Services/ DM Parks	

DIVISIONAL MANAGER: PROTECTION AND EMERGENCY SERVICES

KPIA2: BASIC SERVICE DELIVERY

IDP OBJECTIVE:

- Optimize Revenue and network efficiency

Indicator	Unit of Measurement	Baseline	Annual Target	Revised Target	Annual Budget	QTR Ending 30 Sept 2012		QTR Ending 31 Dec 2012		QTR Ending 31 Mar 2013		QTR Ending 30 Jun 2013		Responsible Official	Explanation of Variance
						Proj	Act	Proj	Act	Proj	Act	Proj	Act		
Parking Meters in the CBD	No of parking bays with meters	706 parking bays with meters	350 parking bays installed with parking meters		R500 000	Develop specifications Advertise the bid		Evaluation of the bid Adjudication of the bid Appointment of a service provider		Installation at 50%		Installation at 100% (completed)		Manager Social Services/ DM Protection and Emergency Services	
QUARTERLY CASHFLOW PROJECTIONS										R250 000		R250 000		Manager Social Services/ DM Protection and Emergency	

													Services	

DIVISIONAL MANAGER: WASTE MANAGEMENT

KPIA2: BASIC SERVICE DELIVERY

IDP OBJECTIVE:

- Improved access to safe and healthy water, sanitation and environment for the residents of Bela Bela.

Indicator	Unit of Measurement	Baseline	Annual Target	Revised Target	Annual Budget	QTR Ending 30 Sept 2012		QTR Ending 31 Dec 2012		QTR Ending 31 Mar 2013		QTR Ending 30 Jun 2013		Responsible Official	Explanation of Variance
						Proj	Act	Proj	Act	Proj	Act	Proj	Act		
Waste & Environmental Plan (multi-year project)Roll-over from 2011/12)	Completed plan	Specifications in place Contractor appointed	Waste Management Plan developed		R500 000	Development at 50%		Development at 100%						Manager Social Services/ DM Waste	
QUARTERLY CASHFLOW PROJECTIONS						R250 000		R250 000						Manager Social Services/ DM Waste	

DIVISIONAL MANAGER: ELECTRICAL

KPIA2: BASIC SERVICE DELIVERY

IDP OBJECTIVE:

- Eliminate backlogs of 432HH without the power supply by 2016
- Improve network reliability and sustainability
- Improve network master-planning
- Maintain redundancy in network (sustainability)
- Improve network maintenance and management
- Optimize Revenue and network efficiency

Indicator	Unit of Measurement	Baseline	Annual Target	Revised Target	Annual Budget	QTR Ending 30 Sept 2012		QTR Ending 31 Dec 2012		QTR Ending 31 Mar 2013		QTR Ending 30 Jun 2013		Responsible Official	Explanation of Variance
						Proj	Act	Proj	Act	Proj	Act	Proj	Act		
MV Switch Gear Replacement (Phase 1) – 1,5m	No of meters replaced	Old switch gear	Replaced 1.5m MV Switch Gear		R1 500 000	Appoint service provider		Complete the project						Manager Technical Services/ DM	

															Electrical	
	QUARTERLY CASHFLOW PROJECTIONS						R300 000		R1 200 000						Manager Technical Services/ DM Electrical	
	Upgrade of HT Line in Bela- Bela Township	No of meters upgraded	Old HT line	Upgraded 0.3m HT line Bela Bela Township		R300 000	Appoint service provider		Complete the project						Manager Technical Services/ DM Electrical	
	QUARTERLY CASHFLOW PROJECTIONS								R300 000						Manager Technical Services/ DM Electrical	
	Standby Generator for Aventura Pump Station & Municipal Building	No of generators procured	No standby generators in place	Standby Generators for Aventura Pump Station and Municipal Building in place		R600 000	Appoint service provider		Complete projects						Manager Technical Services/ DM Electrical	
	QUARTERLY CASHFLOW PROJECTIONS								R600 000						Manager Technical Services/ DM Electrical	

PMU OFFICE (ROADS AND STORMWATER; INFRASTRUCTURE; SPORTS)

KPIA2: BASIC SERVICE DELIVERY

IDP OBJECTIVE:

- Well developed, upgraded, improved and maintained Roads and Storm-water infrastructure within Bela Bela.
- Improved access to the sport, recreational, art, cultural and community facilities within Bela Bela Municipal Area

Indicator	**Unit of Measurement**	**Baseline**	**Annual Target**	**Revised Target**	**Annual Budget**	**QTR Ending 30 Sept 2012**		**QTR Ending 31 Dec 2012**		**QTR Ending 31 Mar 2013**		**QTR Ending 30 Jun 2013**		**Responsible Official**	**Explanation of Variance**
						Proj	**Act**	**Proj**	**Act**	**Proj**	**Act**	**Proj**	**Act**		
Bulk infrastructure – X9	Completed Bulk infrastructure for X9	Designs & Plans in place Contractor appointed Site handover done	1x Resevoir 0.5km bulk waterline High pressure tower/pump station		R5 558 457.29	Construction at 80%		Construction completed – 100%						Manager Technical Services/ PMU Manager	
QUARTERLY CASHFLOW PROJECTIONS						R4 169 000		R1 390 000						Manager Technical Services/ PMU Manager	
Road Paving Phase 3	Km of roads paved	20.9 km Designs in place Contractor appointed Site hand over	1.2km (Moloisane; Ngobeni to Kutu; Mathebe – Ext 1; Mashapa – Kgosana – Mothokoa); Limpopo		R3 618 942.71	Construction completed – 100%								Manager Technical Services/ PMU Manager	

		done	– Ext 8; SUNFA – Limpopo)												
QUARTERLY CASHFLOW PROJECTIONS						R3 618 942.71								Manager Technical Services/ PMU Manager	
License Testing Ground	Completed office building and testing ground	Earth works completed Plans, designs in place Contractor appointed	Completed office building and testing ground		R7 946 600	Construction at 25%		Construction at 75%		Construction completed – 100%				Manager Technical Services/ PMU Manager	
QUARTERLY CASHFLOW PROJECTIONS						R3 406 000		R3 406 000		R1 135 000				Manager Technical Services/ PMU Manager	
Upgrade Moloto street Sport Facilities	Upgraded sport facilities	Existing sport facilities	Upgraded Moloto street Sport Facilities		R1 024 000					Construction at 50%		Construction completed – 100%		Manager Technical Services/ PMU Manager	
QUARTERLY CASHFLOW PROJECTIONS										R512 000		R512 000		Manager Technical Services/ PMU Manager	

DIVISIONAL MANAGER: WATER AND SANITATION

KPIA2: BASIC SERVICE DELIVERY

IDP OBJECTIVE:

- Improved access to safe and healthy water, sanitation and environment for the residents of Bela Bela.

Indicator	**Unit of Measurement**	**Baseline**	**Annual Target**	**Revised Target**	**Annual Budget**	**QTR Ending 30 Sept 2012**		**QTR Ending 31 Dec 2012**		**QTR Ending 31 Mar 2013**		**QTR Ending 30 Jun 2013**		**Responsible Official**	**Explanation of Variance**
						Proj	**Act**	**Proj**	**Act**	**Proj**	**Act**	**Proj**	**Act**		
Water Service Master Plans	Developed plan	No plan in place	Developed and approved plan		R200 000	Appoint service provider		Complete project		Council approval				Manager Technical Services/ DM Water and Sanitation	
QUARTERLY CASHFLOW PROJECTIONS						R50 000		R150 000						Manager Technical Services/ DM Water and Sanitation	
Rapotokwane installation of stands pipe network	Number of stand pipes	No communal stand pipes	14 @ 200m pipe stand to be installed		R500 000	Appoint service provider		Complete project						Manager Technical Services/ DM Water and	

															Sanitation	
	QUARTERLY CASHFLOW PROJECTIONS								R500 000						Manager Technical Services/ DM Water and Sanitation	
	Replacement of old water meter	No of water meters	1000 dirty, invisible meters	1000 meters to be replaced at Pienaarsrivier, Masakhane and Bela Bela Town and township		R350 000			Appoint service provider						Manager Technical Services/ DM Water and Sanitation	
	QUARTERLY CASHFLOW PROJECTIONS								R350 000						Manager Technical Services/ DM Water and Sanitation	
	Telemetry system for Water & Sanitation – 0.5m	Installed system	No telemetry system in place	Installed telemetry system for water and sanitation		R500 000			Appoint service provider	Complete project					Manager Technical Services/ DM Water and Sanitation	
	QUARTERLY CASHFLOW PROJECTIONS									R500 000					Manager Technical Services/ DM Water and Sanitation	

DIVISIONAL MANAGER: IT

KPA 4: MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT

IDP OBJECTIVE:

- To create a properly upgraded and functional workplace for Municipal Staff and Councillors to work in.
- To perform local government service delivery functions efficiently and effectively.
- To improve productivity, cost savings and efficient service delivery by the use of I.T. services.
- To be able to share data at required and authorized levels based on I.T. Infrastructure that is best-of-breed, scalable, interoperable, cost effective and reliable.

						QTR Ending 30 Sept 12		**QTR Ending 31 Dec 12**		**QTR Ending Mar 13**		**QTR Ending 30 Jun 13**		**Responsible Official**	
Indicator	**Unit of Measurement**	**Baseline**	**Annual Target**	**Revised Target**	**Annual Budget**	**Proj**	**Act**	**Proj**	**Act**	**Proj**	**Act**	**Proj**	**Act**		**Explanation of Variance**
Four Servers (Roll-over from 2011/12 FY)	Fully installed and functional server Infrastructure	7 out the required eleven Servers and ICT infrastructure in place	4 server s in place		R800 000	Acquisition of partners/providers		Deployment, installation and configuration of Servers		Transfer and merging of data		Complete Server Infrastructure		Divisional Manager: Information Management	
QUARTERLY CASHFLOW PROJECTIONS						R600 000		R200 000						Manager; Corporate Services	

	Network Wireless Solution (Roll-over from 2011/12 FY)	Fully functional wireless network connection				R250 000	Acquisition of partners/providers		Installation of Wide Area Network link to identified site		Fully installed Wireless Network Connection to identified sites				Divisional Manager: Information Management	
QUARTERLY CASHFLOW PROJECTIONS									R250 000						Manager; Corporate Services	

DIVISIONAL MANAGER: TOWN PLANNING AND HOUSING

KPIA1: SPATIAL ANALYSIS AND RATIONALE

IDP OBJECTIVE:

- To facilitate provision of housing to 5040 housing list by 2016.
- To facilitate for the acquisition of security of tenure for all residents (without secured tenure) of the municipality.
- To create an effective system of land use management and orderly development within the whole municipal area.

Indicator	Unit of Measurement	Baseline	Annual Target	Revised Target	Annual Budget	QTR Ending 30 Sept 2012		QTR Ending 31 Dec 2012		QTR Ending 31 Mar 2013		QTR Ending 30 Jun 2013		Responsible Official	Explanation of Variance
						Proj	Act	Proj	Act	Proj	Act	Proj	Act		
Township establishment on Remainder the Farm Bela-Bela 611KR (Roll-over from 2011/12 FY)	Approved township	Submitted Township applications for approval	Established township at remainder of Bela Bela 611KR		R60 000	Land surveying		Proclamation						Manager PED / DM: Town Planning	
QUARTERLY CASHFLOW PROJECTIONS						R30 000		R30 000						Manager PED	
Scanner/Plotter (Roll-over Roll-over from 2011/12 FY))	Scanner/plotter	Existing budget	Functional Scanner/plotter		R250 000	Procured scanner		Technical support and maintenance		Technical support and maintenance		Technical support and maintenance		Manager PED	
QUARTERLY CASHFLOW PROJECTIONS						R200 000		R12 000		R12 000		R12 000		Manager PED	
Building Plan Filing Cabinet	Procured building plan filing cabinet	No building plan filing	Building plan filing cabinet procured		R80 000	Building plan filing cabinet								Manager PED	
QUARTERLY CASHFLOW PROJECTIONS						R80 000								Manager PED	
Township establishment on Remainder Portion 25 of the Farm at Hetbad	Approved township	Existing budget	Established township at remainder of Portion 25 of the farm Hetbad		R200 000	Feasibility study		Approved township		Surveying and approved general plan		Township register and proclamation		Manager PED / DM: Town Planning	
QUARTERLY CASHFLOW PROJECTIONS						R10 000		R40 000		R30 000		R30 000		Manager PED	